

Communist

Voice

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The coming environmental crisis and the failure of market solutions

(Kyoto, carbon tax and trading, direct regulation,
democratic vs. capitalist planning)

Imperialism today and Iraq

- Escalation of Iraq war driven by imperialist interests
- For a class struggle v. US attacks on the Middle East
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Congressional elections

- No withdrawal from Iraq, only a shift in tactics
- Defeat Bush program with struggle on many fronts!

Wages stagnate while profits soar

SEIU's Andy Stern calls for class collaboration

Down with the Military Commissions Act!

What is *Communist Voice*?

Communist Voice is a theoretical journal which not only exposes the capitalist system, but deals with the tragedy that has befallen the revolutionary movement. It confronts the thorny questions and controversies facing progressive activists today, and holds that the crisis of the working class movement can only be overcome if Marxist theory again enlightens the struggle for the emancipation of the oppressed. The liberating ideas of Marx, Engels and Lenin have been twisted beyond recognition, not only by outright capitalist spokespeople, but also by the false "communist" regimes of China, Cuba and others today, and of the Soviet Union and Eastern Europe of yesterday. *Communist Voice* denounces these distortions (revisions) of the ideas of Marxism-Leninism — whether Stalinism or Trotskyism or reformism — and stands for placing revolutionary theory on a solid basis through the criticism of revisionism and by analyzing the new developments in the basic economic and political structure of the world today. Through this work, the *Communist Voice* seeks to pave the way for communism to once again become the red, fighting banner of the revolutionary working class movement. Only the influence of the real communist theory can help the goal of a classless, communist society again spread among the workers and oppressed here and around the globe. Only the spread of anti-revisionist Marxism can overcome the influence of liberal, reformist and petty-bourgeois nationalist trends and allow the struggle against capitalism to break out in full force.

The revolutionary parties and movements of the working class in the 19th and 20th centuries never achieved their full goals. The working masses fought monarchy, fascism, colonialism, and various capitalist classes, and also made their first attempts to establish a new social system — however these attempts never went beyond the first steps. This class struggle will be renewed in the 21st century, as the masses are faced with how to escape from the escalating misery brought by capitalist development around the world. To hasten the day of

the revival of the revolutionary movement, the *CV* opposes the neo-conservative and reformist ideologies that are dominant today. It holds that progressive work today requires more than opposing the ultra-conservatives and more than trying to reform the marketplace. It means helping reorganize the working class movement on a basis independent of the liberals and reformists as well as the conservatives. The *CV* sees its theoretical tasks as helping to clear the way for a future reorganization of the working class into, first and foremost, its own political party, as well as other organizations that truly uphold proletarian class interests.

Communist Voice thus continues the Marxist-Leninist and anti-revisionist cause to which its predecessor, the *Workers' Advocate*, was dedicated. For a quarter of a century, the *Workers' Advocate* was the paper of a series of activist organizations, the last one being the Marxist-Leninist Party. The demoralization of the revolutionary ranks included the dissolution of the MLP and, along with it, the *Workers' Advocate*. But the *Communist Voice* continues, in a different form, with fewer resources, and with more emphasis on theoretical work, the struggle of the *Workers' Advocate* to contribute to the development of a mass communist party.

The *Communist Voice* is published by the **Communist Voice Organization**, which links together members in a few cities. The CVO calls on all activists who want to fight capitalism in all its guises to join with us in opposing all the bankrupt theories and practices of the past — from Western-style capitalism to Stalinist state capitalism, from reformism to anarchism, from reliance on the pro-capitalist trade union bigwigs to "left" communist sectarianism toward "impure" struggles. It is time to lay the basis for the revolutionary communism of the future by revitalizing the communist theory and practice of today. Only when communism spreads among the millions and millions of oppressed can the struggle against capitalism again become a force that shakes the world!

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write us at mail@communistvoice.org

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Congressional elections:

No 'November Revolution', no withdrawal from Iraq — only a shift in oppressor tactics

by Tim Hall

The recent Congressional mid-term elections resulted in the Democrats replacing the Republicans as the dominant party in Congress. According to the capitalist press, this was a "November Revolution." Supposedly the Bush nightmare of reaction and oppression was over. Motion to end the war in Iraq was predicted. "Farewell to fascism!" a Detroit liberal columnist cried. "Let the investigations begin!" crowed others. But this was just a fairy-tale, told for the gullible. The election was a referendum in which the masses voted against the war, but now, two months later, Bush is massively escalating it, and the Democrats, while screaming loudly, refuse to cut off the main funds for the conflict. Their anti-war stand is all talk — as always.

On January 10 Bush announced his plan to send 21,500 more troops to Iraq for an open-ended commitment to suppress the sectarian violence and get his accomplice Iraqi government on its feet. Bush claims to have a firm commitment from Iraqi Shiite Prime Minister Maliki to suppress the Shiite militias in Baghdad, an improbable claim as these militias are loyal to Moqtada al-Sadr, a powerful Shia force who would end his current support for Maliki. Completing this unbelievable scenario is supposed to allow a U.S. withdrawal two or three years down the road. What this strategy really means is a murderous assault on the Iraqi masses, Shiite and Sunni alike, largely in Baghdad, conducted by Iraqi and American forces jointly. The U.S. military campaigns, while allegedly targeting terrorists, have always meant death and

destruction for the Iraqi masses as a whole. This is to be stepped up now. This assault will further fan the flames of sectarian conflict, since whatever action the Maliki government takes against the Shiite militias will be conducted by an army brigade made up of Kurdish soldiers from the north, as the Shiite members of the Iraqi military are not regarded as reliable. These Shiite forces are themselves infiltrated by sectarian Shiite militias which, like their Sunni militia enemies, slaughter innocent people. Essentially, Bush's response to the anti-war vote by American voters in November is a maelstrom of suppression of the workers and the poor of Iraq, more hellish, if possible, than what goes on at present.

Bush links the success of his escalation to the Iraqi government meeting a series of "benchmarks." One of these is the suppression already described. Bush is also demanding the passage, in the Iraqi parliament, of a bill distributing the oil wealth of the country. It is impossible to see how a government that cannot apportion power equitably among its power blocs can apportion such wealth peacefully. But the bill also opens the door to large-scale foreign investment and control of the huge oil wealth of Iraq. Western capitalist monopolies like Exxon, Mobil and BP will be guaranteed 70 % profits until their drilling costs are repaid and 20%, double the international average, after that. So much for the statements of British Prime Minister Blair and former American Secretary of State Colin Powell that the war was "not about oil!" The Iraqi masses are to be slaughtered and their national resources plundered. Such is the aim of the Bush

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policy.

This is Bush's answer to the American masses' vote against the war. Do the Democrats have a powerful reply to this outrage to the voters? Hardly! The Democratic leaders in Congress, Rep. Nancy Pelosi and Sen. Harry Reid, have protested loudly, threatening a quick vote — to what? Merely to state opposition, not to cut the purse strings for the war. According to Pelosi, "we will not cut off funding." Sen. Joseph R. Biden has declared that it would be unconstitutional for Congress to cut off funds to the military during a war, even though this has been done many times before. Sen. Carl Levin has even stated that he would support Bush's "surge" of troops if it were accompanied by proper goals. Rep. John Murtha and Sen. Ted Kennedy are preparing bills to deny funds — to what? Not to the war as a whole, but only to Bush's planned increase in troops, a measure that any creative Pentagon financial planner could surely evade. With his escalation, Bush has essentially spat in the face of the anti-war masses in the U.S. The Democrats protest: "Not so much spit! We simply won't allow it!"

Why do the Democrats flout the desires of the masses? A major part of the U.S. bourgeoisie, the main Democrats and also some Republicans, see that the occupation of Iraq, at least in its current form, is failing. But they still want to impose U.S. domination on the region. They want to slowly withdraw some troops, maintain tens of thousands of American "trainers" in the Iraqi military, and re-deploy to Kurdistan or some other safe havens from which they can quickly re-intervene. True, Bush also talks about withdrawing troops, but only after victory for the occupation regime. And there are also differences within the Democrat/moderate Republican camp over whether or how to fight for their position. But none of these positions envisions immediate or complete withdrawal, which is the demand increasingly desired by the masses in the U.S. The Democrats cling to their imperialist aims because they are financed by the same class of rich capitalists that fund the Republicans, and the economic and political nature of this class demands an imperialist drive for world domination, the source of the highest profits. Democratic Rep. John Murtha, for example, wants to hold back funds for Bush's escalation in order to strengthen U.S. military forces for imperialist activities elsewhere in the world. The Democrats' tactics, representing liberal imperialism, are just as violent as the conservative imperialism of the Republicans but are reinforced with alliances and sugar-coated with pretty words.

The Democrats' capitulation on the war resembles their capitulation on the impeachment issue. For years the left-wing Democrats have tried to channel the mass movements into centering on impeachment, and replacing Bush with a Democrat, instead of organizing a struggle for their demands. But as soon as the Democrats won, what happened to the impeachment talk? Liberal Rep. John Conyers, on orders from Pelosi, dropped it like a hot potato! Bush had provided Conyers with material for a lengthy dossier of impeachable offenses, including the lying justifications of the war itself. But the great impeachment warrior hastily announced that it was "off the table."

In the elections the voters also repudiated the moral hypocrisy of the ruling politicians. However, an indication of how non-seriously both ruling parties take this repudiation may have been provided by the House Ethics Committee. This committee, composed equally of Republicans and Democrats, took no action against the bipartisan house leadership, which had

ignored the harassment of young pages by (now-resigned) Rep. Mark Foley since at least 1995. To add to the irony, Foley was the leading Congressional spokesman against pedophilia! Hearings, rather than action, have been promised on other issues. The Democrats plan ethics action to restrict gifts to politicians, but such problems are dwarfed next to the truly massive fraud and mis-management conducted by such corporations as Halliburton and enabled by the Bushites and politicians of both parties, especially in connection with the Katrina debacle and the Iraq war itself. It's as if, when confronted by elephants, the Dems choose to slap mosquitoes and swat flies.

On such fundamental democratic issues as the Patriot Act, torture, the writ of habeas corpus and the continuing police murders of African Americans, the Democrats have made no promises of change and are apparently doing next to nothing. They have already arrived at a sordid compromise with the Republicans which allows torture to continue, contrary to the Geneva Conventions. There are two bills, being sponsored by Sens. Leahy and Dodd, which would reverse parts of Bush's anti-democratic Military Commissions Act of 2006, which removed the right of American citizens to challenge their arrest (the right of habeas corpus). But if the Dems' "fight" against the war is an indicator of their seriousness, not much will be done about this crucial issue. The Bush administration intends to retain the ability to declare an American citizen a terrorist and deprive him or her of the right to liberty and the right to see the evidence against them. The police intend to continue killing blacks. It will take mass mobilization to turn these policies around, something to which the Democrats are generally allergic. But if these tyrannical measures continue, then farewell to "farewell to fascism!"

On the economic front, the Democrats have no solutions for the working-class masses. The workers are facing growing insecurity of employment, speed-up on the job, destruction of worker rights and the smashing of unions and unionization drives, spreading impoverishment, privatization of social services, energy deregulation, the rising prices of education, insurance, transportation and many other burdens. Though the Democrats have some differences with the Republicans over "free" or "fair" trade, they are a party of market-place solutions as much as the Republicans. Both parties represent the bourgeoisie, which is the target of worker struggles and unionization. So in their economic program the Dems propose only the minimum they hope will get them votes in future elections. With regard to the minimum wage, any raise will be welcome to the nearly starving working poor, but the bill that is likely to be passed will be half-hearted and too small. It may raise the minimum wage from the microscopic \$5.15 to \$7.25, but any worker knows that this is still far below what it takes to feed, clothe, shelter and transport a single individual. With regard to the deficit, since Clinton's administration the Democrats have pursued deficit reduction by cutting social programs for the masses. Now Pelosi is saying that any spending increases (which would include any reinstatement of needed social programs) will have to be "offset" by spending cuts elsewhere (no doubt of other social programs).

One front where there likely will be motion is immigration, though the motion will not be very good. Despite the massive immigrant worker demonstrations of last spring, the capitalist establishment defeated any new moves towards immigrant

Struggle

A magazine of proletarian revolutionary literature

Struggle is an anti-establishment, revolutionary literary journal oriented to the working-class struggle. It reaches out to "disgruntled" workers, dissatisfied youth and all the oppressed and abused and supports their fight against the rich capitalist rulers of the U.S. and the planet. It is open to a variety of artistic and literary forms and anti-establishment views. We welcome works with artistic power which rebel against some element of the capitalist power structure or against the entire system itself.

Coming soon, the Winter-Spring 2006-7 double issue, vol. 22 #3/vol. 23, #1:

Editorial:

Congressional elections: No "November Revolution", no withdrawal from Iraq – only a shift in oppressor tactics by Tim Hall

Poetry:

by

Stories:

by

Struggle's editor is Tim Hall, an activist and Marxist-Leninist since the 1960's. *Struggle* is a non-profit magazine, produced and distributed by the voluntary labor of a very few people. *Struggle* welcomes poems, songs, short stories, short plays, line drawings. Manuscripts will be returned if accompanied by a self-addressed, stamped envelope. It pays its contributors in copies.

\$2 per single-size issue (\$3 by mail), \$10 for a subscription of four, \$12 for four for institutions, \$15 for four overseas, free to prisoners. Double issues, which are twice the normal length, cost more. *So the present issue, which is a double issue, costs \$4 from a vendor.* Bulk discounts and back issues (on anti-racism, against the Persian Gulf War, depicting the postal workers' struggle) are available.

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citizenship and settled on a policy of repression and fences on the Mexico border. Since the election this policy is being enforced even more brutally, with raids and deportations of immigrant workers in many states. The election of the Democrats may revive some version of the McCain-Kennedy Act, which would have created a guest worker program and a tortuous road to citizenship for a very few immigrants of the millions presently illegal. This bill, while preferable to the policy of blanket repression, was so bad that even many major immigrant groups that are close to the Democrats were turning against before it failed in the past Congress. The new Congress is unlikely to come up with anything much better.

There you have the "November Revolution." At most it means a mere shift in ruling class tactics – and continued war! The working masses need a mass action program to fight back. First of all, they should come out forcefully against the war – against Bush's escalation and against the Democrats' feeble opposition. For serious change, for a reversal of the tyrannical

Bush policies and any other major improvements, the working class and the poor need to raise such demands as immediate withdrawal from Iraq, a reversal of all Bush's anti-democratic laws, an end to police brutality and murders, full rights for immigrants, the elimination of anti-worker and anti-union laws, and the need for action on the environment. The workers and poor need their own movement, with their own demands and their own organizations. The anti-war movement should emphasize appealing to the working class, while activist workers should play a vigorous role in anti-war protests. The Republicans are our obvious enemies; we must learn that the Democrats are our enemies to an equal degree. We must fight for every improvement possible, but ultimately the entire capitalist class must be driven from power in a working-class revolution.

(The above article is the editorial from the upcoming issue of 'Struggle', a proletarian literary zine.) □

Defeat the Bush program through mass struggle on many fronts!

Imperialist-in-Chief George W. Bush is one of the most hated Presidents in U.S. history, and with good reason. Every week we seem to read about a new Bush outrage.

Some of these Bush-led outrages include:

- Wars in Iraq and Afghanistan, saber-rattling against Iran, support for Israeli aggression – all of which are designed to increase U.S. domination of world oil and energy resources, and to increase U.S. global political domination, so that the rich can become richer.
- A regime of secrecy, domestic spying, secret prisons, military tribunals and torture.
- Tax cuts for the rich while social programs of benefit to the masses of people continue to be gutted.
- Opposition to affirmative action, a “holy” war on abortion rights and scapegoating of gay marriage.
- Rolling back even the most minimal environmental protections.
- Utter lack of concern for the black and poor people of New Orleans during Hurricane Katrina . . . but enthusiasm for greasing the palms of bankers, developers and corporate contractors in its aftermath.
- Plans to further super-exploit immigrant workers by driving them into the shadows through denial of rights, while also setting up a semi-slave “guest worker” program.

Whether Bush is eventually impeached, or whether he survives his last two years in office, beating back this class program of the rich is what the masses of people are, in fact, confronted with. But organizing the necessary kind of fight-back also requires opposing the Democratic Party, a party that fully supports the essence of Bush’s reactionary program. True, on some issues they oppose certain aspects of Bush’s plans, but this is generally accompanied by proposals for various “alternatives” within the overall framework of the Bush-led imperialist offensive. Moreover, they’ve been particularly supportive of Bush’s wars, attacks on immigrants, and the curtailment of civil liberties.

The Democrats are a war party

The Democrats have always supported Bush’s “war on terrorism,” often criticizing him for not being ferocious enough in prosecuting it. And their real stand was shown, once again, in last Friday’s Senate vote on whether to spend \$70 billion more for military operations in Iraq and Afghanistan as part of a record Pentagon budget. Senate Democrats and Republicans united to pass it-by a vote of 100-0!

Even the “progressive” wing of this party has nothing to offer but new schemes for the maintenance and expansion of imperialist domination and control. This can be seen in their support for the Iraq “withdrawal plan” proposed by Rep. John Murtha (D-PA). According to this plan, U.S. troops will remain

in Iraq for six more months of war-making, whereupon they’ll be re-located to the “periphery” of Iraq. It calls for the maintenance of “a quick reaction force in the region” and an “over-the-horizon presence” of Marines. Many of this plan’s supporters point to the fact that it will free up U.S. troops for re-deployment to the U.S.-led war in Afghanistan, while others note that a partial “withdrawal” will put the imperialists in a better position to “deal with” (read: threaten and possibly attack) Iran.

So while some of these “progressive” Democrats continue to posture in front of anti-war rallies pretending to be our friends, the most cursory look at the facts shows just the opposite. They’re no more our friends than Bush himself. And that’s just the “left” wing of the party. Meanwhile, mainstream Democrats agree with Bush that setting a specific timetable for troop withdrawal from Iraq would be “unwise.”

The Democrats are bitter enemies of immigrants

Most Democrats did indeed vote against the reactionary H.R. 4437 that would have turned approximately 12 million undocumented immigrants into felons. Meanwhile, liberal Democrats, moderate Republicans and even Bush himself were and are leading the way in fighting for what they call a “comprehensive immigration reform,” which in reality amounts to little more than a comprehensive attack on immigrants – and ultimately the entire working class. These reactionary proposals have taken various forms over the past few months, while millions filled the streets in protest.

First there was the McCain-Kennedy bill, which proposed to double the current number of immigration cops, spend billions of dollars to construct a high-tech “virtual wall” along the Mexico-U.S. border, and which would have required immigrants to carry a new electronic identification card connected to a huge national data base containing the immigrants’ work history, legal status, fingerprints, iris scan, etc. More, the bill called for eventually extending this electronic verification to all workers. True, this bill also contained a “path to citizenship” that would have required immigrants to pay thousands in fines and to jump through endless hoops for at least 10 years, all while attempting to eke out a living as part of a racist “guest worker” program as the Department of Homeland Security breathes down their neck. These same basic anti-immigrant, anti-working-class features, and more, are all contained within last May’s Hagel-Martinez bill (or S. 2611), passed 62-36, with the support of 38 (almost all) of the Senate Democrats, while the four Senate Democrats who opposed it did so for rightist reasons, i.e., the bill’s phony “path to citizenship” wasn’t quite restrictive enough for their tastes.

The Democrats also support curtailment of civil liberties and basic democratic rights

Many of today’s Bush-led attacks on civil liberties were made considerably easier by the fact that previous Democratic

Administrations, and current Democratic politicians, have continually paved the way for them. Neither these laws, nor the political preconditions for their implementation, fell from the sky. Take, for instance, Clinton's prosecution of the so-called "war on drugs," or his support for the 1994 Communications Assistance for Law Enforcement Act which helped to "normalize" the idea of warrantless government wiretaps, or Clinton's own program for a "war on terrorism," the Antiterrorism and Effective Death Penalty Act of 1996. Look at how Clinton's "legal but rare" mantra on abortions helped to provide a political and ideological basis for the ongoing Republican attacks on womens' reproductive rights.

That the Democrats overwhelmingly voted to pass and then renew the USA Patriot Act is well-documented. Even when it came time to vote on the Bush-backed torture-legalizing, habeas corpus-junking "Military Commission Act of 2006," 34 House Democrats and 12 Senate Democrats voted in strong support. And even the "opponents" of this fascistic bill absolutely refused to filibuster or disrupt the proceedings in any way.

Bush's Program is a bi-partisan class offensive

How does *The World Can't Wait! Drive out the Bush Regime!* (WCW) suggest we fight it?

"We need more than fighting Bush's outrages one at a time, constantly losing ground to the whole onslaught. We must, and can, aim to create a political situation where the Bush regime's program is repudiated, where Bush himself is driven from office, and where the whole direction he has been taking society is reversed." (WCW *Call*)

But this, and the entire WCW campaign, one-sidedly focuses everything on Bush. True, WCW also says, "There is not going to be some savior from the Democratic Party," but then they proudly proclaim that Rep. John Conyers (D-MI) and other Democrats have signed their *Call* as if these politicians are some kind of saviors after all. Meanwhile, they're silent on the fact that Conyers himself is a leading Congressional proponent of bringing back the military draft, which would provide more cannon fodder for the "war on terror!"

The Democratic Party represents and serves the same imperialist ruling class as the Republicans, and has itself laid much of the political basis for Bush's reactionary assaults. It's not simply a question of how they haven't been "doing anything"

to stop them – they've been complicit every step of the way! But WCW says nothing about this, and their near-exclusive focus on Bush, Bush, Bush implies support for his ruling class rivals, the Democrats.

Moreover, WCW fails to note that fighting Bush's outrages "one at a time" is a necessary part of "creat[ing] a political situation where the Bush regime's program is repudiated." With emotionalism and hype, the WCW call glosses over this and many other things that must be done if the ruling class is to be thrown into such a crisis that it decides to sacrifice Bush and make various temporary concessions to the mass movements. (Of course, the ruling class will not and cannot repudiate wars, oppression and repression because they're built into the system.)

Unite to build the anti-imperialist movement!

For our part, the Seattle Anti-Imperialist Committee supports exposure and denunciation of Bush and the program he leads, and we do this ourselves. As part of this, we support and participate in anti-Bush demonstrations, including those called by WCW. But we also say that this is not enough. The ruling class offensive that we're confronted with can only be beaten back through mass resistance and struggle on many fronts. This means that all of the present struggles or movements must be further developed in their own right. It also means that the most class conscious activists in these movements must find ways of leading them to actively support each other – and begin to combine them into a mass anti-imperialist movement that consciously targets the monopoly-capitalist class responsible for the problems that each separate movement confronts. And, if these processes are to proceed at the maximum pace possible, then the most clear-sighted activists must unite in order to do the necessary, in-depth political work.

From this framework we think one of the key movements in need of further development is the anti-war movement, and we struggle to place this movement on a firmer, anti-imperialist basis. By targeting imperialism, a system built up on the class exploitation and oppression of the working people of all nationalities, the mass anti-war movement will draw more people into motion and increase their militancy-helping to truly "bring to a halt" this bipartisan imperialist offensive of the rich.

Seattle Anti-Imperialist Committee, October 5, 2006 □

Down with the Military Commissions Act!

For mass struggle against this growing imperialist reaction!

by Eric Gordon

Since September 11th 2001, the U.S. government has been openly holding as many as 14,000 prisoners as legal non-entities. They are held at Guantanamo Bay, Abu Ghraib and other prisons around the globe (Abu Ghraib became notorious only because the jailers lacked the sense to be ashamed of the horrors they were perpetrating, and documented it for the entire world to see). Recent and ongoing reports of horrors at the Battlefield Interrogation Facility near Baghdad show the lie that somehow Abu Ghraib was a unique case. On the assertion that these people are terrorists, the Bush administration has claimed the right to simply declare them enemy combatants. According to Bush and Co., this declaration means that they can salt them away, essentially forever, without charge, without access to the courts, without lawyers, and without visits from human rights organizations.

Defenders of the policy argue that these people are non-U.S. citizens and apparently therefore aren't allowed basic human rights, but in reality a handful *are* citizens.¹ But, U.S. citizens or no, the policy amounts to an egregious abuse of their rights as human beings.

Following the September 11, 2001 terrorist attacks, and ever since, the Bush administration has rounded up hundreds of mostly immigrant Muslims, shutting down small businesses and freezing accounts. These actions were allowed under the Anti-Terrorism and Effective Death Penalty Act, signed into law by Clinton. Most of those detained remain held at Guantanamo five years later. Since then, during the prosecution of the wars in Afghanistan and Iraq, the U.S. government has added to these domestic detainees thousands of Iraqi, Afghani and other prisoners, some having a connection to the resistance to these invasions, but many not. Both before and since the Abu Ghraib scandal broke, many of them have been tortured during their imprisonment.

This policy created a problem for the Bush administration, as both mass pressure and legal pressure mounted, to either charge and prosecute them, or to let them go. Open, fair trials, in which the torture and maltreatment would be brought before the public, were not permissible. To get around this problem, Bush administration lawyers argued that since we are at war, since the enemy ("terrorism") doesn't wear uniforms, and since the enemy is not a signatory to the international treaties governing the treatment of prisoners, they are essentially non-persons, with no rights

whatsoever.² Given that the prisoners have not been convicted of anything (in fact, most have not even been charged with anything), this amounts to conviction on the President's say-so. But eventually even the right-wing Supreme Court ruled that this was not acceptable: in June of 2006, in the case of Salim Ahmed Hamden, the Supreme Court ruled against the Administration's claim. In response, the Republican-controlled congress passed the Military Commissions Act (MCA) in September of 2006, in essence codifying the Administration's assertions in law, and giving the President essentially everything he wanted.

The MCA was passed during the election season by a Republican-controlled congress. Republicans voted overwhelmingly for the bill. However the Democrats cannot escape blame. A significant minority of Democrats voted for the Act, and, although Democrats made a great show of decrying the Act as a new "greatest threat" to "our way of life", don't expect them to overturn it any time soon, even now that the Democrats hold majorities in both houses. Soon after the midterm elections, the Democrats announced that their main agenda for the next two years would *not* be to fight to undo all of the reactionary legislation passed over the last 6 years, but to position themselves for the Presidential elections in 2008. Overturning all of that legislation over which they have wrung their hands the last 6 years (when they weren't lining up to vote for it) isn't a priority — no, they have their eye to the next "anybody but . . ." campaign, and on trying to prove their ability to take over and prosecute the Global War On Terror more effectively. All of this shows just how serious their supposed opposition is to the Bush administration's program.

Justifications for the Act

The neo-conservatives try to justify their extreme and brutal policies, in the war on Iraq, in the Global War on Terror, in the repressive laws they have passed, by stating that "the war on terror is a battle for the future of civilization" (VP Dick Cheney). This rhetoric is supposed to imply that whatever extreme measures are taken, are by definition justified.

However, they also project that the Global War on Terror is a generations-long war. Thus justification that "we are at war" means that sections of the bourgeoisie see these legal and extra-legal measures as semi-permanent changes in the structure of bourgeois democracy in the U.S. Imperialism really is reaction all down the line, reaction which can only be opposed by a mass movement fighting it on all fronts. This reaction includes Bush's domestic spying program, the Patriot Act, Clinton's Anti-Terrorism and Effective Death Penalty Act, and numerous other policies and laws. Along with the Military Commissions Act,

²International Law is clear that combatants have these basic rights, regardless of uniform, regardless of whether they are signatories. However, International Law is nothing more than an arena for the bourgeois powers to fight out their imperialist struggles, so it is vain to hope that international bodies such as the U.N. will force the U.S. to submit to its dictates.

¹"American Recalls Torment as a U.S. Detainee in Iraq", *New York Times*, 12/18/2006, p1, col 5. This article documents the case of a private contractor turned whistle blower who was held for three months and deprived of sleep. A synopsis of the article is also available online at <http://select.nytimes.com/gst/abstract.html?res=F50A12FB38550C7B8DDDB0994DE404482&showabstract=1> for free, though there is a fee to see the whole article online.

these are geared to give the government a free hand to engage in its imperialist struggles to control ever-greater parts of the world's resources, on behalf of the U.S. bourgeoisie. In this context, the Military Commissions Act is a step further down the road of greatly expanded police powers at home, and military powers abroad.

It is acknowledged, even by some of those who voted for the Act, that it contains several provisions which will not survive a court challenge, even a challenge before the ultra-rightist Roberts Supreme Court. For example, Senator Arlen Specter, after saying that the bill was "patently unconstitutional on its face", then argued that "the court will clean it up", to explain his vote in favor of the Act. One of many "patently unconstitutional" features is a provision that the legality of Act cannot be reviewed by the courts, so it will be interesting to see how that battle plays out.

Provisions of the act

While bourgeois democratic rights are always and everywhere circumscribed, limited, and have exceptions, the rights which do exist are important for the working class, and need to be defended. These rights have been hard-won, through battles in the streets, through the blood of those gunned down by the cops, through mass actions through history. Greater democratic rights means a greater field within which to organize and fight, not only for reforms, but also for an end to bourgeois society as a whole, and the whole array of abuse and exploitation required by capitalism. Provisions of the Military Commissions Act undermine bourgeois democratic rights in a serious way:

* The Act defines an unlawful enemy combatant as "a person who has engaged in hostilities or who has purposefully and materially supported hostilities" against the United States. This is a pretty vague and broad definition. Is attending a demonstration against the Iraq War "purposefully and materially supporting hostilities" against the U.S.? What about writing or publishing an article in favor of the armed resistance in Iraq? What about sending donations to a political group or charity which has done such actions?

* As mentioned above, the Act specifies that it cannot be challenged in court. It declares that "no court, justice, or judge" has jurisdiction "to hear or consider any claim or cause of action whatsoever" relating to military commissions, "including challenges to the lawfulness of procedures of military commissions". In other words, according to the Act, challenges to the constitutionality of the Act itself are prohibited. This is a new gambit in the ongoing struggle over a more powerful and dictatorial Presidency.

* The same paragraph prohibits all judges, in all courts, from hearing *habeas corpus*³ claims on detention of aliens declared to be unlawful enemy combatants. The result of this is that as soon as the government declares someone to be an unlawful enemy combatant, immediately they cannot challenge the lawfulness of their detention. So in practice, even in a case of mistaken identity, a detainee has no recourse whatsoever. Technically the cancellation of *habeas* rights applies only to non-citizens.

However, it is unclear how, and before whom, a U.S. citizen mistakenly declared to be an alien unlawful enemy combatant would challenge his/her detention, since *habeas corpus* hearings are the accepted way of doing so. Especially when there is no provision for a speedy trial, a detainee might well sit in Guantanamo for years being interrogated before being brought before a commission, as several thousand prisoners have already.

* There is a strange hole in the Act regarding citizens charged with being unlawful enemy combatants. As stated above, the definition of "unlawful enemy combatant" is someone who has "purposefully and materially supported hostilities against the United States". This definition makes no distinction between U.S. citizens and non-U.S. citizens in this regard. The Act then continues to discuss Military Commission jurisdiction over *alien* unlawful enemy combatants, possible punishments for *alien* unlawful enemy combatants, and so forth. It never states what happens to those declared to be unlawful enemy combatants, who might also be U.S. citizens. The example of Jose Padilla, a U.S. citizen held for 21 months without charge as an unlawful enemy combatant, makes it clear that this is not an idle question. He has since been transferred to the civilian judicial system, as the Administration tries to avoid a losing legal battle.

* Trials by military commission may also be held in secret. A judge may close all or any part of the proceedings if they find that national security or individual safety warrants it. A secret trial in which all participants are barred from releasing any information to the public about the proceedings (perhaps under penalty of "purposefully and materially supporting hostilities"?) is a recipe for railroading people into the new American gulags.

* As mentioned above, detainees are not guaranteed a speedy trial. In fact, the Act explicitly exempts military commissions from requirements for a speedy trial, meaning that in addition to having no recourse to challenge the lawfulness of one's detention, those declared unlawful enemy combatants can be held forever, or until hell freezes over, without access to the courts. The preamble to an earlier version of the bill argues that "during wartime" it isn't practicable to gather evidence on the battlefield. Given that this war, the global war on "terrorism", is projected to last for generations to come, and the battlefield is seen to be the entire globe, this is a wide-open invitation to let untold thousands of people rot forever without trial. Meantime, accounts of the handful of people released from these prisons make it quite clear that they are not being held as suspects, but are assumed to be guilty, and are interrogated and tortured. In practice, they are presumed to be guilty until proven innocent.

* Using the same justification as above, that it is impractical to bring witnesses to testify at these military commissions, the Act also allows hearsay evidence in military commission trials. Although in civilian courts there are exceptions to rules barring hearsay, the basic protection is an important one, allowing the accused to cross-examine their accuser. It is very difficult to dispute the reliability of evidence presented by someone who wasn't there. What were the conditions, the visibility, the lines of sight, etc. when the event happened? What is the reliability of the witness, do they have a grudge against the accused, or were they tortured into making the statement? These are questions which are very difficult for the accused to establish without being able cross-examine the witness.

* It further declares that these detainees cannot be trusted

³*Habeas Corpus* is a legal convention dating from the late 17th century British law (and has a history which goes back much further, to the *Magna Carta* and 12th century Anglo-Saxon law).

with seeing the evidence against them. In a major breach of civilian trial procedures, where a lawyer can be disbarred for *failing to* share all of the evidence with the defendant, under this Act, the defense lawyer is barred from sharing any classified evidence with the accused. How does the defendant answer an accusation that they were training at a terrorist camp in Afghanistan, for example, when they cannot hear the evidence the government has that they were there?

* The Act also declares that prohibitions on compulsory self-incrimination are not applicable to military commissions. While a person on trial before a military commission cannot be compelled to testify, various forms of coerced statements are admissible, and a defendant cannot argue that he or she was compelled or coerced as an argument for excluding the statement. Those people who were held, tortured, and then released, often report that, after weeks or months of harsh treatment, they are ready to confess to anything. There is a provision that statements obtained under torture cannot be used as evidence, but it makes no such prohibition regarding statements obtained under coercion that falls short of torture. And once a confession is made, it is admissible, and the defendant cannot apparently recant it.

* The Act also rejects the Geneva Conventions as protection for those held and prosecuted under this Act, stating that "No alien unlawful enemy combatant subject to trial by military commission . . . may invoke the Geneva Conventions . . . as a source of rights".⁴ Most salient among the Geneva Convention provisions is the prohibition on torture. This is a measure most probably added to protect the torturers from being sued for violations of human rights and being prosecuted for war crimes.

As much word-chopping as has been done about the definition of torture, it should be made clear, there is no doubt that what various released prisoners describe is in fact torture:

— Being forced to stand on tiptoes in water up to one's chin for hours at a time.

— Prolonged sleep deprivation, for months at a time.

— Beatings with heavy electric cable.

— Electrical charges through one's feet and genitals.

— Being chained by the wrists to the ceiling of a cell for days.

— Being urinated upon.

— Having cigarettes stubbed out on one's skin.

The government claims that these stories are lies, told by the propaganda machines of the enemy. However, remember, the stories come from the few men who have been *released because the government concluded that they were innocent*.⁵ Even

⁴Earlier versions of the bill stated that "No person in any habeas action or any other action may invoke the Geneva Conventions . . . as a source of rights . . . in any court of the United States". Presumably this was seen as too sweeping.

⁵A Google search for the cases of Khaled el-Masri, Maher Arar, and Laid Saidi, reveals some of the horrors perpetrated on U.S. prisoners subject to extraordinary rendition. The cases of Murat Kurnaz, Omar Deghayes, and Jumah al-Dossari reveal examples of the treatment of prisoners strictly under U.S. custody. Reports of detainee treatment come from the abused detainees themselves, after they have been released, or from other released detainees who witnessed the torture. When the U.S. has released detainees, it has often been by transferring them to allied governments, which have in turn released them. In any

though the U.S. government denies ever holding them, enough of their stories can be corroborated that there is little doubt that the outrages these men tell are in the main true.

* Notable among practices *not* addressed in this act is any legal position on the grotesque practice called "extraordinary rendition", an extra-legal practice started under the Clinton Administration. Extraordinary rendition involves flying prisoners to other allied and semi-allied countries, such as Egypt, Syria, Jordan, Uzbekistan and other countries, where torture is fully legal, for the purpose of subjecting them to full, unimpeded torture (as opposed to the curtailed version practiced by U.S. military jailers).⁶ Extraordinary rendition has recently gotten a degree of coverage in the bourgeois media. This is due to the Bush Administration's vast expansion of the practice, and due to the Administration's use of military bases in Europe for transporting these prisoners, over the objections of those European allies. However, the Military Commissions Act has not one word to say on this topic although (or perhaps one should say, because) the whole issue has become something of an embarrassment to the government due to its having mistakenly shipped several innocent people off for torture only to later discover they are innocent. Presumably, they were told on release, "Ooops, sorry, we thought you were someone else".⁷

* In addition there is the disposition of "ghost prisoners", prisoners held but not acknowledged by the CIA or other U.S. agencies. These are the disappeared of the global war on terror, excised from all lists of detainees held and shifted from one prison to another to keep them from gaining contact with human rights agencies. The status of these prisoners is also not addressed in the Act.

The Military Commissions Act is another brick in the building of a police state society

Various liberal bourgeois commentators and politicians commonly declare that the MCA represents a complete breach of everything which the U.S. stands for: freedom, justice, and apple pie. Yet, in the real world, the Act exists in the context of decades of building up police state measures, and decades of erosion of democratic rights, attacks on immigrants, and attempts to drive a wedge between U.S. workers and immigrants. Specifically, there has been an on-going struggle among sections of the ruling class over the degree to which the U.S. is bound to recognize the democratic rights of non-citizens. During times of war, the ruling class has historically ramped up its attacks on both aliens and U.S. citizens as well, one of the first cases in this country being the Alien and Sedition Acts passed in the late 1700's (of which the Alien Enemies Act is still in effect). The

⁵(...continued)

case, by releasing them the U.S. government has tacitly agreed that they are innocent, while at the same time never admitting an error in holding them. For a discussion of the legal status of released detainees, see <http://www.mail-archive.com/pen-l@sus.csuchico.edu/msg21120.html>.

⁶For a good history, see "Outsourcing Torture", http://www.newyorker.com/fact/content/articles/050214fa_fact67050214fa_fact6.

⁷For one example, see "Algerian Tells of Dark Term in U.S. Hands", <http://www.nytimes.com/2006/07/07/world/africa/07algeria.html?ei=5090&en=17b76be0aba70618&ex=1309924800&partner=rsuserland&emc=rss&pagewanted=all>.

Sedition Act applied to both citizens and non-citizens, and prohibited criticism of the government, as well as writing to "incite . . . resistance to the United States". A later infamous example is the internment of Americans of Japanese descent during WWII.

Yet, the Military Commissions Act does make legal some horrendous abuses of basic human rights, for those declared to be illegal enemy combatants. And there is no great divide between treatment of non-citizens, and the treatment of citizens. A look at the treatment of the mainly black and poor prisoners held in U.S. Department of Corrections prisons around the country, especially in Secure Housing Units (super-maximum security facilities within the U.S. prison system) reveals how true this is. Many of the architects of the Abu Ghraib torture scandal at every level were in fact involved in prisoner abuses in U.S. prisons before being sent to Iraq, and many of the abusive techniques documented in Iraq were first developed in U.S. prisons.⁸ Similarly, the discarding of *habeas* rights for alien unlawful enemy combatants has its counterpart in the significant curtailment of *habeas* claims for everyone, U.S. citizens included, encoded in the Anti-Terrorism and Effective Death Penalty Act. This Clinton-era law was something of a precursor to the Patriot Act, and encoded a significant diminishment of *habeas* rights across the board.⁹

Every one of these reactionary measures paves the way for ever more reactionary measures; paves the way for the erosion of rights for workers, the poor, people of color, and other groups which are not organized to fight these erosions. Some of those

⁸For some reports of this process of hiring the worst abusers in U.S. prisons to "reform" Iraqi prisons, see:

— "Abu Ghraib in Virginia", <http://www.southernstudies.org/reports/LaFay3-WEB.htm>;

— "From Supermax to Abu Ghraib", <http://www.counterpunch.org/caldwell10152004.html>; and

— "Exporting America's Prison Problems", <http://www.thenation.com/doc/20040524/frosch>.

⁹For a discussion of the effects of the Anti-Terrorism and Effective Death Penalty Act on appeals and *habeas* rights, see <http://www.vote.com/magazine/editorials/editorial3307499.phtml>.

14,000 held by the U.S. government in the current global war on terror are clearly fundamentalist religious leaders, and thus no friend of the workers anywhere. However, for the above reasons, even if it only affected right-wing fundamentalist leaders, it would still be a reactionary act. Just as clearly, though, many prisoners are simply innocents caught up in neighborhood sweeps and security checkpoints, or workers fighting the U.S. imperialist attacks on their lives, striking for decent wages under the occupation regime, and/or fighting for basic democratic rights in their own country. The U.S. broad-brush painting of these prisoners as "terrorist" and "the worst of the worst" seeks to cover over that they often have no idea who they are holding.

The Commissions Act, the Patriot Act, the Anti-Terrorism and Effective Death Penalty Act, "good faith" exceptions to unwarranted search and seizures by the police, warrantless monitoring of emails, phone calls (and apparently soon U.S. mail) by the Feds, and other recent laws and policies, all add up to the building of a police state. As people become inured to stories of torture policies in Iraq and Guantanamo, it becomes that much easier for the government to get away with inhuman conditions in U.S. prisons, and other repressive domestic policies.

The workers must fight every attack on democratic rights launched by this government, and fight vigorously. We need mass demonstrations in the streets and other forms of mass struggle to fight against torture of prisoners held in secret prisons around the globe, against the secret prisons themselves, and against fascist policies such as the Military Commissions Act. Attacks on immigrant workers and workers in other countries must be fought as vigorously as those on U.S. citizens. Workers should not be lulled into a sense of security because supposedly the Commissions Act only affects non-citizens. The denial of basic rights for non-naturalized U.S. immigrants and other non-U.S. citizens, far from protecting U.S. citizens, as the reactionaries assert, diminishes rights for all workers and poor everywhere. On the other hand, the more we organize mass struggles against these repressive policies, the harder it is for the government to get away with any of them. □

Escalation of Iraq war driven by imperialist interests

The U.S. military has been launching attacks in the Persian Gulf for 16½ years straight: In 1990 Bush I initiated the first Gulf War slaughter of Iraqis, partitioned the country into zones, and instituted sanctions. Following him, for eight years Clinton maintained a genocidal sanctions policy and punctuated it with bombings. Now, Bush II is waging another brutal Iraqi war in which hundreds of thousands of Iraqis and thousands of U.S. soldiers have died. This has become an occupation war that has already gone on nearly four years, and now is being escalated.

But this isn't just Bush's war. The Senate Democrats unanimously approved Bush's 2007 war budget last September 29—years after Bush's lying justifications for war were known to all. And now that they have the majority in Congress, the Democratic Party leaders promise to continue funding. Moreover, in December several top Democratic Party leaders openly supported Bush's then-proposed escalation, as did Democrats of the bipartisan Iraq Study Group (Baker-Hamilton Commission).

This Iraq Study Group was filled with “elder statesmen” from both ruling parties—“reasonable” people as opposed to the neo-cons. They came to the consensus that, “We agree with the goal of U.S. policy in Iraq, as stated by the president. . . . Iraq is vital to regional and even global stability, and is critical to U.S. interests.” And, upon releasing it, co-chair Baker said the report “. . . makes clear: We're going to have a really robust American troop presence in Iraq and the region for a very long time.”

Slaughtering for the enrichment of the big capitalists

Clearly, the brutal slaughter in Iraq is not just the dirty work of Bush and his party; Bush's psychology or character is not what drives it onward. There is in fact bipartisan consensus that Iraq is “critical to U.S. interests,” and it is defense of these interests that has driven the political establishment to commit atrocities in Iraq for 16½ years, with new atrocities each day.

Two of these interests are fairly obvious:

(1) Owners of giant corporations being able to loot the national treasury for hundreds of billions in military and “reconstruction” contracts, including “no-bid” contracts like those of Halliburton's Kellogg-Brown-Root;

(2) U.S. oil companies and financiers thirsting to profit from Iraqi oil. (The Iraq Study Group report is only the latest that has an entire section of recommendations on how to do this via privatization and establishment of a legal framework for investment—Bush's very agenda from day one of the invasion.)

But more fundamentally, the unity between the Democrats and Republicans for war reflects a unity of all the big capitalists, the monopoly capitalist class, that the entire Middle East with its one-half to two-thirds of the global reserves of light crude oil is strategic to U.S. interests—which means they'll fight to make the law there. Thus, the first Gulf War was not fought to grab Iraqi oil, but because Iraq's invasion of Kuwait had upset the whole system of U.S. imperialist political domination of the region that

had been carefully crafted in previous years. Nevertheless, although the upstart Iraqi ruling class was easily defeated in this lop-sided war, it continued to maneuver in its own interests under the sanctions regime by making deals with U.S. rivals in Europe, Russia, and China. Faced with these infringements on U.S. imperial prerogatives, in 1998 Clinton came out for an Iraqi “regime change” (which was somehow supposed to be achieved without war), and the second Bush used the 9/11 terrorist atrocity as a pretext for war to destroy the Hussein regime. In its place they hoped to install loyal puppets who would welcome permanent U.S. military bases that would be used to dictate imperial order on the region.

Yet this imperialist agenda had still broader aims, with 9/11 used as the convenient pretext for the U.S. ruling class to launch a crusade to militarily settle accounts with rivals everywhere. In fact, it would use a military machine bigger than that of all other countries combined to reverse its economic decline relative to rising global rivals by monopolizing vital Middle Eastern oil supplies. Thus, all U.S. capitalists would profit.

This grand imperialist strategy, misnamed the “war on terror” to cover its imperialist nature, now faces disaster in Iraq: mass popular resistance to U.S. occupation troops; resistance by Ba'athist and fundamentalist-led reactionary factions; a holed-up, factionalized and weak government that maneuvers to get out from under the U.S. thumb; growing resistance in an overstretched U.S. military that Colin Powell says is essentially “broken”; popular opposition at home. Further, with Iraq prostrate and riven by civil war, the regional balance of power has been further upset, with Iran becoming a relative powerhouse and the U.S.-allied Sunni-dominated governments constantly warning that they face domestic revolts—hence the recent sending of a second American aircraft-carrier task force to the Persian Gulf, and more threats against Iran.

In these conditions the capitalists' politicians desperately look for ways to save their empire from a strategic defeat. Some wanted a bigger escalation than Bush's. Others propose plans to “withdraw” from just Iraq, or from just the field in Iraq. These plans are usually conditioned on meeting objectives that four years of war have been unable to attain, and, in fact, they're actually different military strategies aimed at achieving the same ends. But, they're put forward as plans to withdraw because they all know that the Democrats won the majority in Congress in large part because the masses want the U.S. out of Iraq, and that a December CNN poll showed only 11 percent support for escalation.

Within weeks Democratic Senate leader Reid (and others) went from supporting escalation to opposing it in his and Pelosi's famous letter to Bush. Yet this letter calls for “phased redeployment of our forces in the next four to six months, while shifting the principal mission of our forces there from combat to training, logistics, force protection and counter-terror.” So, redeployment does not mean withdrawing from Iraq, much less the region. Instead, the letter calls for more war, i.e., “force protection and

counter-terror," with escalated training of the factionalized Iraqi Army to fight as a proxy of U.S. interests — something Bush has failed to accomplish despite great effort.

As we've seen, "American troop presence in Iraq and the region for a very long time" is the bipartisan agenda. Driving this is the economic fact that if U.S. imperialism doesn't dominate the Middle East oil reserves, then its rivals will. Because of this, neither party has any intention of giving up war in the region. (They also prepare for other wars, i.e., the Democrats "criticized" Bush's December proposal to expand the military by 70,000 personnel by saying that they had been proposing expanding the military for years!)

Step up the "war at home" by building the class opposition to imperialism!

Today, it is the sons and daughters of the working class and poor who are being sent to slaughter ordinary Iraqis, and to be slaughtered themselves; this is especially so for national minorities. Why? So the rich can become richer! Meanwhile, the ruling class continues to foist the economic burden of this war onto the working people and poor of this country, and it will fight to shift the burden of coming crises caused by its deficit war-spending onto the backs of the masses too. Such facts have given rise to massive sentiment that the U.S. should get out of Iraq now. Recognizing this, the Democrats of the Iraq Study Group worried: "[We] hope that our report will help bridge the divide

in this country on the Iraq war and will at least be a beginning of a consensus here, because without that consensus in the country, we do not think ultimately you can succeed in Iraq" (Lee Hamilton), and that their report "was one last chance at unifying this country on this war" (Leon Panetta).

The task of the anti-war movement is to further break reactionary nationalist unity or consensus for imperialism! This requires arousing the masses of people through exposure of the real imperialist aims of the U.S. in Iraq, the Middle East, and the world. It requires exposing that both Democrats and Republicans are war parties of the rich, with left-wing Democrats like Kucinich playing the special role of channeling the anti-war movement into dead-ends. It requires encouraging solidarity with the masses of Iraqi people who struggle to find a way forward amidst the death and devastation wreaked by the U.S. military, as well as the sectarian factions who use them in their civil war for power and division of oil revenues. And, it requires continuing to build for and participate in demonstrations like those called for January 27 and March 17. Let us base our mobilization and participation in these events on a political orientation that targets imperialism and draws out the class interests at stake in its wars. Let us struggle to use demonstrations as a tool in building the movement to overthrow imperialism.

Anti-war Bulletin #1

Seattle Anti-Imperialist Committee, January 15, 2007 □

Swedish neoliberal cutbacks, from page 52:

Sweden to play out "middle class" against "underclass": far into the part of the electorate that votes for right-wing parties, there has been a widespread scepticism before too big political shifts rightwards. Rightist rhetoric about "system change" has had the effect of scaring away electors. Despite the fact that this rhetoric has been dropped in the course of the past few years, the strategical problem for the right nevertheless remains; so, lowering the ceiling of the unemployment benefit is simply an attempt to by-pass it. If sufficiently many with incomes above a certain level don't feel that they get anything out of the insurance any longer, then it might be easier to gain support there for more measures which worsen the conditions for the unemployed. Why, those who can afford it might possibly switch to private solutions of insurance. To sum up: although a good many workers are not affected by the lowering of the ceiling, it is important for the scope of the resistance to wage the struggle also for the benefit of those who earn more.

The sole really efficient way to stop the attack by the government would be a political strike. Such a strike would also — just like when the youth and workers of France through the huge mass protests early this year managed to stop the government's attack on employment conditions of the youth — give a signal both to the governments and to the working class in other countries.

However, the trade-union leaders only too often act as road-blocks to a proper resistance against the capitalists and their state. Most trade-union leaders are more interested in the profitability of big business than in the conditions of their own members. To be sure, the [national trade-union center] LO (and

TCO, too) have condemned the government's measures in words, there has been expressions to the effect that it's a "declaration of war" and so on and so forth. But at the same time, LO has made a statement at its homepage explicitly rejecting a political strike against the government. And in the business supplement to *Svenska Dagbladet* on Oct. 28, Wanja Lundby-Wedin [the LO chairman] cautioned that if LO were to go in the forefront of political struggle, it would then be regarded "as an opposition party, and that would weaken our position at the bargaining table on labor matters" (read: there would be problems with class collaboration). It can't even be excluded that there might be secret accords between government and "opposition". The fact that some 30 backup tapes of the former government's internal mail traffic have disappeared despite being put into the new government's safe, might possibly indicate some kind of "gentleman's agreement", and if so it makes sense to suspect that the price for the social-democrats to pay is to do more to hold back protests against the government's attacks.

Yet this doesn't mean that nothing can be done. The decisive thing is what the members of LO — and the salaried-employee unions — are prepared to do themselves. By bringing the matter up at one's own workplace, by calling meetings open to all regardless of trade or form of employment, it is possible to build a coordination in order to either put strong pressure from below on the union leaders or — if need be — to call a political "wildcat" strike. The last-mentioned option presupposes, however, that both the scope and the participation are big enough to achieve the proper effect and to render reprisals against the strikers politically difficult. Scattered "wildcats" are, in the situation of today, prone to lead to defeat. □

Speech to the anti-imperialist contingent at the Oct. 28, 2006 anti-war demonstration in Seattle

The following is the text of a speech given by a comrade of the Seattle Anti-Imperialist Committee.

Comrades,

Today, at least 50,000 Iraqis have been killed directly by the U.S. government since 2003, and it could be a lot more – no one really knows. Babies and old folks, mostly from the poorer classes, our friends: victims of mass murder.

The other side of the picture is that the masses of people resist – with guns and without guns – and they'll continue to resist in hellish conditions. While confronting the foreign occupiers they're also being used as cannon fodder in sectarian civil war between bourgeois factions fighting for their share of the Iraqi pie. Meanwhile, the armed resistance remains dominated by Ba'athists and fundamentalists that would set up a new tyranny. So charting an independent and liberating political course amid all this is slow and difficult. Still, their resistance (along with that by reactionaries) has been a political disaster for the mighty U.S. administration, and more disasters are to come. This shows something of the power of mass struggle, even in a small country with brutally oppressed people. And we can help them.

Meanwhile, 2,809 U.S. soldiers have died in Iraq. And, even more than in Vietnam, these soldiers have been from working-class and poor families, and disproportionately national minorities. Once again the sons and daughters of the poor are being sent to kill and be killed in a rich man's war: this time a war for oil and empire; a war to increase profits of not just the oil companies, but of an entire monopoly-capitalist class striving to control global oil supplies. With this control it wants to put the squeeze on rivals everywhere, and expand its profit-making empire.

Driving this barbarous imperialism are the basic economic laws of the capitalist system of production: accumulated capital demanding expansion, leading to fierce rivalry with competitors to dominate markets and sources of raw materials. If the U.S. doesn't dominate Middle East oil, competitors from Europe, Russia and China will, with local exploiters also demanding a bigger share of the loot.

This is the root cause of the nightmare being visited on the

Iraqi people by the U.S. government. This is why the Pentagon lays its plans around being in Iraq until at least 2010. This is why liberal Senate Democrats and conservative Republicans last month voted to approve Bush's record war budget 100-0. And this is why the generals have this week been talking of sending more troops to Iraq.

For there to be peace and justice in the world this imperialist system has got to go.

This necessitates struggle on many fronts.

Today we're fighting to build the anti-war movement. But U.S. imperialism cannot attack the people abroad without also attacking the people at home. Thus, on top of Clinton's police-statism we have the "Patriot" Act and now the Military Commissions Act. Meanwhile, racial discrimination and police brutality against minorities continues. And S. 2611 and other bipartisan bills in Congress represent a huge attack on immigrants in this country, and a huge attack on the entire working class. So when we raise the slogan "For class struggle against imperialism!" it means work to advance the struggles against these and other assaults on the masses of people here at home too.

As we can see today, our work in the anti-war movement is cut out for us. The actual size and militancy of anti-war demonstrations has been going down, while the mass opposition to U.S. troops in Iraq is at around two-thirds of the population! We work to change this situation by bringing a new orientation (to the masses!), and a new class spirit into the movement. Today our efforts often seem paltry, but what else can we do but start with the living people at hand, and work from there?

I'm convinced that together we can play a role in reviving and transforming the movement. Together, we can really bring fresh air into the anti-war movement and fresh forces into motion. In the course of this work we'll also be changing ourselves: becoming new and different people. This is needed if we're to contribute more to the movement to end the reign of U.S. imperialism, and all imperialism.

Build the anti-war movement!

Support the struggles of the Iraqi workers and poor!

Down with imperialism! □

What is the Seattle Anti-Imperialist Committee?

Below is the Unity Statement of the SAIC, September 17, 2006.

Introduction

The Seattle Anti-Imperialist Committee (SAIC) is a democratic committee of anti-imperialist activists in the Seattle area. It works to build the local anti-war and other progressive movements through raising their level of anti-imperialist consciousness, organization and activity. To date this has involved organizing a feeder march, protest contingents, discussions, posterings, and the writing and distribution of leaflets designed to draw more people into political motion. Much of this would have been impossible had we not combined our efforts through SAIC.

But the SAIC still remains at the level of an attempt, an effort, to rally anti-imperialists of Seattle into the kind of force we think they can be. Meanwhile, imperialist wars and oppression continue, with more being planned. Thus we again invite all local anti-imperialists to join with us to deepen and spread the work crying out to be done. Further, we also seek to unite with groups and individuals outside the committee to build marching contingents, demonstrations and other activities while insisting on the right of all partners in such united actions to freely express themselves.

Method

SAIC is composed of people with certain differing analyses of world imperialism and world political forces, and we seek to unite with others who will inevitably have still differing ideas. But we stand united around the anti-imperialist ideas in this document. When disagreements arise over how to implement the tasks implied by these ideas we struggle to seek truth from facts – i.e., to carefully investigate and analyze the issue in question. Nevertheless, when the movement demands that we act quickly we may think voting on an issue is necessary. When so, the majority rules. Further, although individuals or groups in the committee may have different theories over what the imperialist system should be replaced with, debating this question is not the purpose of the SAIC.

Imperialism

Modern imperialism is rooted in the capitalist system of production where it has reached the stage where giant corporations and banks are merged into huge conglomerates of capital (monopolies) that play the decisive role in global economic life: monopoly capitalism. The laws of the capitalist system of production force these concentrations of wealth to maximize profits through expansion to dominate markets, sources of raw materials, and low-wage labor. Beneath and alongside these dominating conglomerates the old competitive

capitalism goes on as well, giving rise to new concentrations of capital and new monopolies whose internal economic laws also demand expansion. The intense contradictions within this world economic system inevitably give rise to wars.

In the imperialist countries the social class owning these monopolies, the monopoly-capitalist class, or bourgeoisie, plays the decisive role in economics, culture, politics, and the state. In the U.S. this is the class whose interests lay behind the “war on terror”, the occupations of Iraq and Afghanistan, threats of war against Iran, bullying of Latin America, support for the Zionist domination of Palestine, huge war budgets and permanent militarism. The Democratic and Republican parties are its principal political instruments, while the Green Party and others play a special role in fostering illusions that there can be a capitalism without wars and oppression, and of diverting activists away from reliance on mass struggle and toward reliance on electoral politics.

The most economically, politically and militarily powerful among the imperialist powers dominate the United Nations, World Trade Organization, International Monetary Fund and World Bank, which they overall use as tools for imperial interests.

Anti-Imperialism

Anti-imperialist activism means political work targeting the imperialist system as the root cause of wars and other crimes against the masses. It means exposing and opposing the lies and deception of the capitalist political parties and the opportunist leftists who serve them. And, since there are no solutions to be found within the system, it means an orientation toward arousing and uniting the masses of people who suffer from imperialism in struggle against the imperialist ruling class:

- The masses of youth who are subjected to a poverty draft and are being used to fight wars for the imperialists;
- The working-class masses who own nothing but their labor power which they must sell to the capitalists in order to survive, and who are at the same time being used as cannon fodder in imperialist wars for the enrichment of these same exploiters;
- The national-minority and immigrant masses who are discriminated against, doubly oppressed and exploited at home, and who are disproportionately sent to kill and be killed abroad.

Our solidarity is with the workers and others exploited and oppressed by capitalism and imperialism in all countries. We popularize and support their struggles against both their local exploiters as well as domination by the U.S. and other imperialist powers. This is an important part of building a politically conscious movement against our main enemy, which is at home.

Opposing sham anti-imperialism and opportunism

Anti-imperialism does not mean inviting liberal politicians and others to tell demonstrators that they should support legal and multilateral imperialist wars as opposed to Bush's unilateralist wars, or to criticize Bush for weakness in the "war on terror", or to say the movement should support Iraqi withdrawal plans that always leave U.S. troops in the country for many more months and leave them in the oil-rich region indefinitely. Nor does anti-imperialism mean handing a microphone to liberals like Kucinich so that they can divert activists into working for "peace candidate" election campaigns, and then later tell these activists that they should work to get war-hawks like Kerry elected. Yet these are the opportunist practices of sham anti-imperialists in the major anti-war coalitions.

Moreover, anti-imperialism does not mean supporting reactionary clerical forces, Ba'athists and others just because they are fighting U.S. imperialism. Nor does it mean glossing it over when such reactionary forces seek to accommodate the imperialist powers, collaborate with occupation administrations, and brutally oppress the working people, leftists, women and minority nationalities. But many groups in the movement do precisely these things and call it anti-imperialism—thereby causing great damage to the very idea of anti-imperialism.

The struggle against opportunism and sham anti-imperialism therefore becomes an inseparable part of the struggle to build the movement against imperialism.

With regards to Iraq, for example, real anti-imperialism means supporting the Iraqi people – whether presently armed or unarmed – both in their struggle against the imperialist occupa-

tion as well as their struggle against internal class enemies who work to keep them chained to a reactionary framework, ultimately weakening the struggle against imperialism.

Membership and organization

SAIC members are expected to regularly attend committee meetings, and help advance the committee's work through leafleting, posterage, writing, or in other ways. Anyone is eligible for SAIC membership after attending one meeting, expressing agreement with this Unity Statement, and asking to join. Membership is formalized by the majority vote of the existing members of the committee present at any one meeting. A member who is later found to be violating the conditions of membership may be removed from the committee by a majority vote.

SAIC may elect a Chairperson and a Secretary-Treasurer, both of whom can be recalled at any time by majority vote on a motion which cannot be ruled out of order on the agenda. The Chairperson is responsible for ensuring that meeting locations are found and announced, soliciting items for the agenda, conducting meetings, and calling special meetings. The Secretary-Treasurer is responsible for keeping a record of meetings, recording all decisions, and keeping track of financial contributions and expenses.

Build the movement against imperialism!

www.seattleaic.org
mail@seattleaic.org □

For a working-class struggle against US imperialism's attacks on the peoples of the Middle East

From "Detroit Workers' Voice" #61, September 29, 2006:

While attacking workers here, the Bush administration is ruining the masses overseas. The US-backed Israeli invasion of Lebanon is the latest atrocity. Lebanese civilians were the main target of cluster bombs and other US-supplied Israeli weapons. Much of the country's infrastructure and tens of thousands of houses lie in ruins. The Israeli army thought it would steamroller through Lebanon, and the Israeli government thought that this would blackmail the Lebanese people into doing whatever Israel wanted.

But the Lebanese masses were overwhelmingly opposed to Israel, and stiff resistance by militia forces in southern Lebanon made the Israeli invasion bog down. This has had an electric effect in the Middle East. It may cause the Bush administration and the Israeli government to think twice about plans for attacking other countries. And the present Israeli government is in trouble, as recriminations fly back and forth about what went wrong in Lebanon.

The mass resistance in Lebanon has shown itself a force to be reckoned with. But it is still necessary for the working class there to put its stamp on the movement. Over the years, different political trends have vied for supremacy in the resistance. Presently it is Hezbollah which is leading the military resistance to Israel. The cause of repelling the Israeli invasion was just. But Hezbollah's vision of an Islamic theocracy is major problem for the masses and for the resistance. A good deal depends on whether the Lebanese working masses can develop a progressive leadership for the resistance, a leadership which unites them on the basis of their class interests and not their religious affiliation.

Not only the Bush administration, but most of the American bourgeoisie supports Israel strongly. They see its importance to the American empire. Hillary Clinton's statement, "The United States must stand by Israel" is typical of the Democrats. Nevertheless, even today, some American working people see through what is going on in the Middle East. Locally, a number of demonstrations have taken place against the US-backed destruction of Lebanon. In Dearborn, as many as 10,000 people have demonstrated. There was a thousand-strong demonstration at the Detroit-Windsor Tunnel. And tens of thousands demonstrated against the US-backed Israeli aggression in Washington on Aug. 12. Though there is a UN-brokered truce now, the supposed peacekeepers of the UN Interim Force in Lebanon, UNIFIL, are not neutral. They occupy only Lebanese territory, and impose restrictions on the Lebanese people, while allowing Israel to violate the truce at will. They will be no more an obstacle to Israel deciding to go into Lebanon for a second round, than they have ever been in the past. So it's important for working people around the world to maintain their

anti-imperialist solidarity with the Lebanese people and their resistance struggle.

The problem with Israel is not that there are many Jews there. It's that the Israeli government is a theocracy, a government that gives special rights to Jews as opposed to other people. Similarly, the problem with the Islamic fundamentalist movement isn't that it organizes among Muslims, but that it stands for Islamic theocracy. Today Hezbollah is at the forefront of the just resistance to Israeli aggression in Lebanon, and Hamas is prominent among Palestinians. But the theocratic goals of Hezbollah and Hamas pose a serious danger for the resistance movements in Lebanon and Palestine. For example, the fundamentalist groups involved in the struggle against the US occupation of Iraq have led Iraq into a sectarian civil war pitting Shiites and Sunnis against each other. It is important for the working class to put its own program in the forefront of the resistance movements. At one time, communist and left-wing trends based on the class interests of the working people as a whole, Shiite, Sunni, Jewish, Christian, or nonbelievers, rather than the theocratic interests of this or that religion, had strong support among Middle Eastern workers, and the time will come when this is true again.

The roots of the Israeli invasion of Lebanon can be found in Israel's desire to maintain its oppression of the Palestinian people, whose land it has robbed. We must therefore stand with the Palestinian struggle against US-backed Israeli oppression. The only lasting solution for Israel and the Palestinians is the replacement of the discriminatory Zionist system in Israel with a democratic, secular (non-religious) state with equal and full rights for both Jews and Arabs. And the hundreds of thousands of Palestinians forcibly exiled by the Israeli authorities in the past must have the right to return to their historic homeland. In order to prevent this return and deny rights to the Palestinian people, the Israeli government continues oppressing the Occupied Territories. Today it has even imposed an economic blockade on Gaza, bombed infrastructure, and imprisoned much of the elected government of Gaza and the West Bank. We must demand an immediate end to these Israeli atrocities.

The occupation of Iraq

Meanwhile US imperialism is directly oppressing the people of Iraq. There is massive anger among American workers about the continuing war in Iraq. Countless demonstrations large and small have taken place across the US. Disillusionment is spreading in the armed forces, and some soldiers have even fled to Canada. Bush staked his presidency on the invasion of Iraq, and the fiasco of the continuing war has been dragging him down.

Bush claimed the occupation of Iraq would lead to freedom throughout the Middle East. But his real goal was not liberation, but domination of the Middle East and of its oil. That's why the US occupation has been met by massive opposition from the Iraqi people. The longer the US stays, the more Iraqis there are who want the US to get out.

The leadership of the armed resistance to the occupation is dominated by fundamentalists and ex-members of Saddam Hussein's Baath Party, but the strength of the resistance is the mass anger of the Iraqi people at a corrupt and foreign domination. The occupation cannot even provide basic living conditions for the masses, and it has become a horror for the Iraqi people. The chaos created by the US occupation has even paved the way to civil war, as rival Iraqi bourgeois and religious hierarchies compete for power at the expense of the Iraqi masses.

But, despite the tragic conditions facing them, Iraqi workers have been trying to develop their own class movement. For example, new trade unions have been formed, and Basra oil workers struck on August 22 and 23 in defense of their wages and working conditions. Moreover, the 23,000 workers of the General Union of Oil Employees have been struggling against a new law privatizing Iraqi oil fields. The growth of workers' organization is crucial for undermining the various sectarian and bourgeois factions in Iraq.

The American bourgeoisie still wants to hold onto Iraq, and the bourgeois politicians haggle over how to do this. Bush wants to "stay the course", while most Democratic politicians say Bush has made mistakes, but pledge that they too would not "cut and run". The American workers should instead demand that the US gets out now, and we should focus on international solidarity

with workers overseas. We should oppose not just Bush, but the whole imperialist system and its wars for domination of regions of "vital interest". And we should give special support to the Iraqi workers, who are striving to build up a working-class alternative in Iraq.

Target US imperialism, Israel's main backer!

Working people and activists in the US have a special duty to support the peoples of the Middle East, as "our" government both occupies Iraq and is the main supporter of Israel. No matter how clear it is that the Iraqi people want the US out, the occupation continues. No matter what atrocities Israel commits, the flow of high-tech US weapons continues. Republicans and Democrats seek to secure US "vital interests" in the Middle East, and they alike cheer on Israeli aggression. Behind these parties is the capitalist class. This is a class struggle. While the American bourgeoisie drives US workers down here, it seeks to impose its will around the world. Let's help organize the working class to target the imperialist system here in the US. And let's support all attempts to rebuild a working-class movement in the Middle East.

Down with the Israeli invasion of Lebanon!

Down with US imperialist aid to Israel!

Israel out of the West Bank and Gaza!

***For a democratic, secular Palestine with equal rights
for Arabs and Jews!***

US imperialism, get out of Iraq now! □

The war-like nature of imperialism is unchanged after the collapse of the old colonial empires

by Joseph Green

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The article below is based on a talk given October 15, 2006 at the Detroit Workers' Voice Discussion Group. It shows that imperialism has persisted as a world system despite the collapse of colonialism, and this imperialism remains the fundamental cause of the growing number of wars we see today.

Our topic is the nature of imperialism today. The presentation will be based on the article "The Leninist theory of imperialism and the 21st century world" in the last *Communist Voice* (July 27). I will only deal with some of the points from this article — perhaps some of the left-out points out will come up in discussion afterwards.

The topic is timely, as in the days prior to this meeting, a number of events raised sharply the issues of war and empire:

- * The US occupation of Iraq continues, and even the congressional election campaign centers in part on the issue of the major war there.

- * The war in Afghanistan has been intensifying. Those who follow Canadian news have seen more about this, as it is a major political issue in Canada, which has troops in Afghanistan but not Iraq.

- * The North Korean nuclear test has raised the question of sanctions and of whether the US will pursue regime change in Korea. The US government could probably have gotten North Korea to halt its nuclear program, but its primary pursuit was not that but overthrowing the Korean regime. Thus a year ago, several days after an agreement with North Korea that was paving the way for the end of the nuclear program, the US implemented severe financial sanctions on North Korea, making a mockery of its pledge to work for normalization of relations. The North Korean regime, however, is not a workers' regime, and it threatens other Koreans with its nuclear weapons.

- * There is the issue of sanctions against Iran, and possible US military action. Here too the US places emphasis on its hegemony in the Middle East, and on regime change in Iran, and not

on its stated concern for nuclear proliferation.

Thus again and again the news centers on war. Many people had hoped that the end of the Cold War would bring a calmer world. There was no longer a fight between two superpowers, as US imperialism was the only remaining superpower. Would this mean that there would be a period of peace? Such expectations proved illusory. Like it or not, we are now in the midst of Bush's "war on terror", which is a series of wars and war threats.

The old imperialism — wars and colonies

A century ago, there was also a series of wars and war threats, and this was one of the reasons that, as the 19th century ended and the 20th century began, there was widespread discussion of imperialism. Of course, back then various regimes called themselves empires, such as the British, Ottoman, and Russian empires. Moreover, the late 19th century had been a period of European arming and colonial expansion. By the turn of the century, the various colonial powers were bumping against each other in the pursuit of colonies and world domination. A series of wars ensued. There was the Spanish-American war, in which the US took over various of Spain's colonies, such as the Philippines and Cuba. There was the Boer war, where England maintained its colonial domination of South Africa. There were threats of wars between France and Germany over Morocco; attempts to partition or gain influence over parts of Iran, China, and the Ottoman Empire; and so forth.

This colonialism and militarism brought forth talk of imperialism. The division of a majority of the world's population among the colonies of a handful of powers was its most obvious feature. Six countries, Great Britain, Tsarist Russia, France, Germany, the US, and Japan controlled the majority of the world's colonies, while even some small countries, such as Portugal, Holland, and Belgium, controlled their own overseas empires. All in all, the majority of the world's people lived as subject peoples in colonies or semi-colonies. And the forcible suppression needed to maintain these empires against their subject peoples, and the struggle between the great powers over who would control this or that area of the world, fueled a new period of military conflict, which led to World Wars I and II.

Imperialism after the collapse of the colonial empires

Today, there are few outright colonies left. The large empires in their old form have collapsed, brought down by the revolutionary movements and national liberation struggles of the 20th century. True, the struggles around the few colonies that remain play a disproportionate share in world politics, as is shown by the major role of the Palestinian issue in the Middle East. The issue of the right to self-determination remains important for the working-class movement. The way in which the right to self-

determination now comes up, and the changes in the character of the national movements, were discussed in the article in *Communist Voice*, and perhaps we'll get to it in the discussion period. But here I'll simply note that the collapse of colonialism has changed the overall picture of the world.

From a world where the majority of the world's people lived in colonies and semi-colonies, now a majority of the world's people live in old and new imperialist countries and regional powers.

First of all, the traditional imperialist powers of the US, Europe and Japan are still here, still preying on the world's people; they are still the home for almost all of the very largest multinational firms; and one of these powers, the US, seeks to make the entire world into its own backyard.

But after a century, there are also additional imperialist powers. It turns out that a number of former colonies and semi-colonies have become major powers in their own right. Of course, if this talk lingers on them, it's not because the old imperialists have become unimportant--the old powers still play a vastly disproportionate role as world bullies. But the emergence of new imperialists and would-be imperialists is a major change in the world situation which has to be assessed, whereas the imperialism of the old powers is something that has been analyzed repeatedly for over a century. And a large part of the world's population lives in the new powers.

Moreover, the point in noting that a number of former colonies and semi-colonies have become major powers in their own right isn't to justify the rivalry of the US and other traditional imperialist powers with China, India, Iran, and other formerly subjugated countries. It is important to oppose the chauvinist campaigns that the bourgeoisie organizes against these powers, in which it blames local unemployment on China and other countries, and creates an atmosphere of fear about the rest of the world. But it is also up to the working class to oppose all the reactionary powers, old or new. And only by recognizing the real nature of the new powers, and the class relations within them, is it possible to understand the obstacles that face the working masses of these countries, and to effectively organize proletarian solidarity with them. It is necessary to distinguish the working masses of these countries from the developing imperialist bourgeoisies.

So what are some examples of the new powers?

* China, once a semi-colony preyed upon by just about every other power, has become a major power in its own right. Its economy is taking on a greater and greater world role; it is a nuclear power with a major army; it is not just an increasingly influential power in East Asia, but it competes for economic and political influence even in Africa and Latin America; it is a world power, a Great Power.

* India, once a colony, has a major economy. Its big capitalists not only dominate its own economy but buy and sell major companies in Europe and elsewhere. They make deals in the billions of dollars. India is a nuclear power, a regional power and indeed a major power.

If India and China were the only countries that had gone from being colonies and semicolonies to being major powers, this would still be a radical change in the world. India and China alone have one-third of the world's population, and two-fifths of Asia's.

But they are not the only countries that have made this

transition. Some other examples:

* Turkey, for example, has been a major regional player in former Soviet Central Asia.

* Even the wars being threatened or waged today show that various formerly dominated countries have striven to be important powers. For example, Iran has become a major power in its region, although it is held back by the heavy pressure of US power.

* Iraq is now going through a devastating occupation and major internal troubles; it may even be dismantled. But this was the result of defeat in the Gulf Wars; prior to this it strove in the 1980s to be a major regional power; and to this end it fought for eight bloody years with Iran.

* Other world events also show the development of new regional powers. In trade negotiations, part of the "South" has more and more weight. But this is largely countries like Brazil, South Africa, and India. Their interests aren't the same as those of the smaller and weaker countries. One example of this concerns Bolivia. Evo Morales, President of Bolivia, has sought to get a better deal on natural gas from the big energy companies. Among the recalcitrant companies is Petrobras, Brazil's semi-governmental energy company (which may be privatized or may retain some governmental ownership depending on the outcome of the ongoing Brazilian presidential election).

It is sometimes argued that the masses in the new powers are often poor, so these countries can't be regional powers and certainly not imperialist ones. But, back a century ago, Tsarist Russia was itself a country with a notoriously impoverished peasant majority, and no one doubted that it was an imperialist country.

The outcome of the national liberation movement

The national liberation movement of the 20th century and other world events broke up the old empires. However, the independence of the newly-liberated countries did not lead to full freedom for their inhabitants, but to wider and faster capitalist development. World capitalist growth since World War II has led to a greater and greater split between rich and poor, both between countries and within countries. There is, for instance, a growing split between rural and urban areas in China and India. There are growing splits between devastated regions, such as a large part of Africa, and rapidly growing areas, such as East Asia. This is what capitalism is.

Also the newly-independent countries, when capitalism grows in them and if they have a certain weight, seek to become powers in their own right. They have become capitalist countries, if subordinate ones. If their size, or geographical conditions, or other features give them an advantage over other countries, they seek to be regional powers, and some may make it to the rank of imperialist countries.

This situation looks different from the past. Why should the new situation, where few direct colonies exist, be called imperialism? Can there be an imperialism where the majority of the world's people live in either the traditional big powers or new big powers and regional powers?

Spheres of influence

Yes, that is what the history of the last decades shows. For

one thing, we see that the present world situation has seen a continuation of wars for spheres of influence and regional and world domination. As far as the new powers are concerned, this has often meant that a power seeking regional domination has come up against US imperialism, which is seeking to impose its world domination. Meanwhile the old imperialist countries still vie for spheres of influence; and they still talk of their areas of "vital influence".

But more than that. The Leninist theory of imperialism didn't just point to the empires. It asked what lay behind the rush to empire, and the imperialist rivalries. It pointed to the development of monopoly capitalism as the key to the rabid imperialism of a century ago. If one looks at *Imperialism, Highest Stage of Capitalism*, one finds that Lenin points to all the features of the imperialism of his time, such as the division of the world into empires, but stresses that "If it were necessary to give the briefest possible definition of imperialism, we should have to say that imperialism is the monopoly stage of capitalism." (Ch. 7, *Collected Works*, vol. 22, p. 266) He pointed out that there had been colonialism and empires before, rather it was the development of large-scale economic monopolization that signified what was new in the imperialism of his time.

In *Imperialism*, Lenin showed how this monopoly capitalism operated, and pointed to the attempts of the monopolists to dominate not just the production of their own country, but world production; they sought to divide world markets between themselves. He wrote about the division of the world between capitalist monopolies; the development of finance capitalism; and its exploitation of the entire world.

This monopoly capitalism still exists. It has grown even larger and more powerful than it was a century ago. Its field of development now extends even more strongly across the world, as the bourgeoisie of former colonies and semicolonies develops rapidly. This is what provides the basis for the continuation of imperialism.

This is why both the Democratic and Republican parties, since they both represent the capitalist ruling class, are imperialists, fighting simply over whether the US world domination should be striven for by unilateral or multilateral means. Democrats often fight Bush over who can fight the "war on terror" best. Thus Peter Beinert, one of the founders of the Democratic Leadership Council, recently wrote the book *The Good Fight: Why Liberals--and Only Liberals--Can win the War on Terror and Make America Great*.

The present-day world order

What does this imperialist world system look like? For one thing, today we can see the rape of the entire world by finance capital and large, multinational corporations. Moreover, a global system has developed, whereby world institutions like the IMF and WTO help extend the reach of the monopolies, and the rules of these world bodies help to knock back resistance by individual governments of the subordinate countries. Let's look a bit more closely at this system.

While direct war between the old imperialist powers has been avoided since World War II, there has been a series of wars — little wars, bigger wars between regional powers and the main imperialist powers, civil wars, even undeclared wars, war is incessant. At any one time, not one but many of them are going

on somewhere in the world. Moreover wars are not just means of exercising power, but they are big business. Indeed, arms sales are one of the main world industries, and military budgets are huge.

Aside from this, world governmental organizations have developed as a political tool of imperialism. Just like the collapse of the old colonial empires, the development of world institutions — the UN, the World Court, the WTO, etc. — differs from the old imperialism of a century ago.

But far from bringing the end of international rivalries and the abolition of imperialist striving for domination, these world institutions have become one of the main voices of imperialism. While they are represent themselves as representatives of the world's people, they actually enforce the will of the strongest powers against the others. Power in these organizations is weighted according to the strength of the countries involved. Some have voting according to financial contributions, while the UN separates out a number of Great Powers as permanent members of the Security Council. And far from being peaceful, the world bodies are another means of pressure exercised by the strong against the weak. Indeed, at this particular moment, we can see that the UN Security Council, which claims to be a tool of peace among nations, often appears before the world as a military command center for deciding where troops should be deployed next, and which peoples should be economically squeezed until their governments do what they are told.

The NGOs

Another aspect of the imperialist system, one not discussed in the article in *Communist Voice*, is the multitude of non-governmental organizations (NGOs). It's not that everything done by NGOs is harmful — they are involved in a good deal of work on everything from health and environment to human rights. But taken as a whole, they serve as a wing of imperialism: generally, but not always, the smiling, would-be humanitarian wing of imperialism. Their involvement with different spheres of work helps keep these spheres within the confines of what's acceptable to imperialism, and to the currently fashionable prescriptions of bourgeois economics. This occurs in two ways. On one hand, their programs are generally at least partially financed, and/or aided in other ways, by the imperialist governments, which thus have power over them. For example, the Bush administration has decreed that no support will go to any international health agencies that are in any way involved with abortion, and moreover has channeled funding to groups which push "abstinence only" programs. It has thus sabotaged various AIDS prevention programs and women's health programs.

But there's more to it than that. Aside from the issue of direct governmental pressure on the NGOs, they are mainly directed by socially-minded bourgeois, and their private fund-raising is aimed in this direction. This is important as imperialism isn't just governments giving orders, armies crossing borders, and international sanctions, but is based on the class rule of the bourgeoisie, and the NGOs represent, to a large extent, the sphere of international civic activity of a section of the bourgeoisie and bourgeois-influenced intellectuals. The activists in these groups aren't all ill-intentioned people or bourgeois themselves; some are dedicated or even self-sacrificing people,

who are seriously concerned about the plight of the masses in various countries. And they may see themselves as fighting to oppose bad government policies. But their work is kept within the limits of the bourgeois conceptions and framework of the NGO leadership.

Imperialism as the last stage prior to the overthrow of capitalism

There is more that could be said about the structure of imperialism. But the Leninist theory of imperialism didn't just describe and analyze imperialism, but pointed out the path to fighting it. It doesn't describe imperialism as an unbeatable colossus, but pointed out that imperialism was a transition to a new system.

The idea wasn't that socialism would develop gradually out of the social and political institutions of imperialism. Instead, Lenin pointed out the passing over of capitalism to monopoly capitalism, to imperialism, shows that the capitalism was becoming ripe for overthrow. For one thing, the growth of monopoly, large-scale production, and government planning were signs that capitalism was outgrowing the days of individual competition. The economic preconditions for socialism were developing within capitalism. Monopoly itself showed that economic planning was becoming possible as well as necessary, and that planning would either be a brutal exploitation over the working masses, or private ownership would have to be replaced by social ownership of the means of production.

The imperialist stage of capitalism has lasted far longer than Lenin and the other communists of his time imagined. But its basic nature hasn't changed. Monopoly capitalism remains, as Lenin described, a mixture of competition and planning in a way that is most painful for the masses. And its festering economic problems, the growing inequalities, the environmental devastation, and its tendency to war and oppression, shows the necessity for a change over to socialism.

The class struggle as the transition to a new society

Moreover, if imperialism is based on monopoly capitalism, if it grows out of the existence of capitalism itself, then it follows that the struggle against imperialism must be based on the class struggle. It is the working class which is the most consistent opponent of imperialism, the class which is the most interested in bringing about the end of capitalism and the advent of the new society. True, nowhere today is the working class on the verge of a socialist revolution, but it is being pushed into various struggles. Through struggles on many issues, against political tyranny or against economic exploitation, against racism and national oppression or directly against various capitalist exploiters, carried out workplace by workplace or in national upsurges, the working class will gradually gain consciousness of the class contradictions that underlie imperialism and of its own role as the force destined to overthrow capitalism and thus end imperialism forever.

The working class is presently disorganized, but one can see that conditions are being prepared for a new round of

working-class struggle. The spread of capitalism throughout the world, and the intense exploitation of "globalization", has led to an increase in the numbers and world significance of the working masses. It is not just in the most economically advanced countries, but increasingly all over the globe that the working class has become the core of the exploited majority. The development of China, India, and other formerly subjugated countries into major powers has been accompanied by the growth of their working classes.

The national liberation movement of the 20th century didn't bring class emancipation, but only eliminated one form of oppression. It led not to the hoped-for liberation of the downtrodden colonial working masses from all exploitation, but to the rise and strengthening of new capitalisms. The local exploiters have trampled brazenly through the newly-independent countries. And the multinational corporations have run from country to country, setting up sweatshops, bringing runaway jobs from places with high wages to those with low wages. But this extension of capitalism has also brought the working class and its exploitation into the forefront of the life of these countries.

There is now, for example, a huge working class in China. And the day will come when it takes its place as one of the major players in the world class struggle, fighting for its own rights and encouraging workers elsewhere. The capitalists may have dreamed that China would represent an inexhaustible supply of desperate unemployed people. But already China, which had become the sweatshop for much of world production, is showing some signs of labor shortage. When the working class begins to rise in China and other countries where the multinationals had run for cheap and docile labor, this will help spur the working class to rise all around the world. This is not yet the situation, but the conditions are being prepared for it. No doubt the big corporations will eventually run from India and China and other places in search of new sources of super-cheap labor. But it's quite a difference between running from a minority of industrialized countries to countries containing the vast majority of the world's people, and running from countries containing this majority of working people to an ever-shrinking number of small and left-over places.

The new rise of the working class will not be automatic. It's not sufficient that objective conditions are being created for the transition to socialism. It's necessary for the working class and progressive activists to consciously organize and to build a genuinely working class party. This must include dealing with revolutionary theory and discussing and understanding the lessons of the last century of revolutionary activity. Part of this is to rescue the anti-imperialist cause from the distortion which uses the slogan of anti-imperialism to support one imperialist bourgeoisie against another. Some do this to seek a shortcut around the class struggle, while others advocate only fighting the traditional imperialists and fail to recognize the rise of new imperialisms. But it is only proletarian anti-imperialism, anti-imperialism that is based on interests of the working masses and recognizes the new class features of the present world order, that can stand up against imperialism as a world system. It is such thorough-going anti-imperialism that must be restored to its rightful role as a spur to the organization and international unity of the working masses in struggle against their exploiters. □

Wages stagnate while profits soar

by Pete Brown

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In the weeks leading up to Labor Day there was a flurry of new economic statistics in the news, and a discussion broke out on newspaper op-ed pages about the condition of the working class in America. Looking forward to the midterm elections in November, with the Republicans running as incumbents, Bush and his supporters tried to paint the economic picture in the brightest possible colors, while Democrats tried to blame Republicans for every negative phenomenon. But underneath the bourgeois electioneering, the fact is that things are not looking good for the average worker and are getting worse. This is a fact about the Bush era. But it's also a long-term trend that has grown worse under both Republican and Democratic administrations.

First, some facts about the Bush era: Since the current economic expansion began in late 2001, productivity has soared. But workers have seen only small increases in nominal wages and salaries. For the bottom 80% of the work force, these raises have not been enough to keep up with rising prices of consumer goods. Wages and salaries now make up the lowest share of the nation's gross domestic product (GDP) since the government began recording the data in 1947. Meanwhile corporate profits have climbed to their highest share since the 1960s. Capitalist bankers refer to the Bush years as "the golden era of profitability." Along with profits, personal incomes for the top 1% of Americans have exploded. In 2004, the top 1% of earners — a group that included many CEOs — received 11.2% of all wages income, up from 8.7% a decade ago and less than 6% three decades ago. The result is that the top 1% now holds a bigger share of total income than at any time since 1929, except 1999-2000, during the stock bubble.

Pop economists like to say, "A rising tide lifts all boats." But the basic lesson of the Bush years is that a rising tide of capitalist wealth lifts the luxury yachts of the rich, while the workers' rowboats are left scuttled in mud.

Bushites' admissions

The situation has become so scandalous that the Bushites themselves have felt compelled to discuss the subject in public to try and defuse it as a political issue. It was first broached by

Federal Reserve chairman Alan Greenspan (first appointed by President Reagan) back in June 2005. Testifying to Congress about the state of the economy, Greenspan noted the growing inequality in incomes and warned that this was a threat to "democratic capitalism." After Greenspan retired, the new Fed chairman Ben Bernanke testified to Congress in August 2006 that the falling livelihoods of the masses could possibly derail the trade liberalization of recent decades (which Bernanke of course supports). Bernanke advised politicians to try and devise policies that would share out the benefits of globalization a little bit. This was something new, for these advocates of free trade and deregulated capitalism to be calling for government guidance of the free market.

The growing inequality was also discussed by Bush's new Treasury Secretary, Henry Paulson. In August 2006 Paulson acknowledged in his first major policy speech that economic inequality is rising in America. But Paulson attributed this to rising wages for the highly educated and said nothing could be done about it; it's just one of those odd external effects of the wonderful free-market economy. Bush administration people are so arrogant that for one of them to even admit a little bit of a problem is quite a novelty. But it's typical of them that Paulson followed this admission with the immediate assertion that "nothing can be done."

Paulson's speech was followed by President Bush's Labor Day message to American workers in which Bush proclaimed, "Things are good for American workers." This is ridiculous. Even though the economy has been expanding for the past five years, the average worker has yet to see any gain in wages despite strong productivity growth during these years. Workers are producing more per person, per hour, but are not being allowed a share in the new wealth they've created. Workers are toiling harder than ever before, with the intense speedup of new productivity campaigns. The lowest paid sections of the work force continue to slide into poverty at an accelerating rate, as the federal minimum wage has not been raised for over nine years. Job insecurity is intense as corporations downsize and outsource jobs. Workers are increasingly dependent on credit cards and home equity loans just to pay their heating and gasoline bills. Meanwhile corporations are gutting pensions and health care plans. And the outlook for workers' children continually looks bleaker as inner-city schools deteriorate, and college tuition costs skyrocket. Public state universities are turning into fortresses of the privileged, as grants to students from high-income families are now, on average, *higher* than grants to students from low- or middle-income families.

Bush followed his lie about "things are good" with the qualification that there might be a few minor problems, but these are due to "impersonal market forces" for which there are no government solutions. So Bush, like Paulson, pushes all problems off to the market and refuses to consider any ways to soften the growing impoverishment of many workers.

Increasing inequality

One thing you can depend on with Bush's people: when they tell a little bit of truth, it's only for the purpose of promoting a

bigger lie. Paulson promotes the idea that highly skilled and educated workers are actually doing better than ever in today's economy. He says this is the result of global free trade which seeks out such workers, bids up the price of their labor and rewards them according to their skills. Things may look bad to the unskilled, but if they would only get off their butts and acquire the needed skills, they too could make a million bucks.

But while some of the highly skilled are becoming super-rich in the new global marketplace, it's not true that all of them are. The same forces that drive the unskilled into poverty also simplify skilled workers' jobs, cheapening their labor. Many draftsmen and machinists, for example, found themselves displaced by computer-aided drafting and numerical-controlled machining in the 1980s and 90s; some of them made the transition to the new economy, but many others were driven out of manufacturing employment altogether. The average college graduate is doing better than workers without a degree, and graduates' pay has stayed ahead of inflation a little bit the last few years. But just barely. It's nothing like the way the pay of corporate execs, CEOs and the very rich have exploded. The market forces of global capitalism do not "reward hard work", as the myth says, but reward *capital*; it's the very rich who get richer, at an ever increasing rate.

It isn't just unskilled, uneducated workers who are suffering. Many ordinary workers with high school and some college are in trouble, facing growing insecurity, declining wages and benefits. The Bushites think it's just fine if these workers are driven into poverty. They think this is "natural selection" for transition to a high-tech economy. But many of the fastest-growing occupations in today's society do not require high skills. There are vast numbers of new jobs opening up in retail sales, food preparation, janitorial services, etc. These are jobs that require general intelligence and skills, but no college or highly specialized training. The people who fill these jobs have the same personal needs as doctors, lawyers, and high-tech engineers. They need health care, and they need sufficient pay to raise a family and maintain their dignity. And the capitalists need these workers to generate the immense profits they're making in retail sales, health services, and other rapidly growing service industries. But the capitalist market doesn't provide these workers with the basics. For six years Bush refused to consider a raise in the minimum wage, which is constantly declining due to inflation. Since the midterm election was won by the Democrats, who promised to make a raise in the minimum wage a top priority, Bush has offered to consider a raise. But it remains to be seen how much this is worth. In his hands-off attitude to the market Bush is simply acting as a political shill for the cutthroat capitalists who run these industries.

Growing inequality is not just a result of the last couple years or the six years of the Bush administration. Statistics bear out that this is the dominant trend of the last generation, starting from at least the early 1970s. This shows that generating inequality is a permanent, ingrown part of normal capitalist economic development. It's a constant tendency that may be stifled or modified in various ways, at different times, but it's something that workers have to collectively, constantly be on guard against or suffer the consequences of being driven into poverty.

Sobering statistics

New statistics about the economy are quite sobering. Nowadays the only ones receiving raises that outpace inflation are those at the very top of the pay scale. Only workers making over \$80,000 a year are getting raises big enough to keep ahead of inflation. Government stats show the *average* person's income continuing to rise, but this is only because those at the top are receiving such huge increases that they skew the average up. Most workers are actually suffering a loss.

The drop in wages is especially notable because productivity has risen steadily the last few years. It's a basic article of faith among bourgeois economists that productivity gains are the basic engine of wage gains, and that the latter always follow the former. When workers ask for higher wages, they're told "You'll get more when you produce more. Work harder and you'll get your share." But the behavior of the economy the last few years shows this to be a lie.

Until recently there were some factors in the economy which tended to obscure the growing inequality in pay. For one, up until last year stagnating wages were somewhat offset by the rising value of benefits, which caused overall compensation for most Americans to appear to be increasing. This was due to the rapid rise of health care costs, which outpaced the general rise of prices (inflation). When employers report how much they're paying workers, they report their increased premiums for health benefits as increased compensation to the workers, even though the workers themselves are not receiving it as wages. This was only an apparent rise, because workers' take-home pay did not increase, nor did they receive any better health coverage. On the contrary – in many cases workers were forced to pay higher health care premiums and co-pays themselves, to maintain the same health care coverage. But now in the last year workers' benefits have also failed to keep pace with inflation – not because the rise of health care costs has moderated, but because employers are cutting back so rapidly on workers' health care coverage. So now, on top of stagnating wages, we have a situation where more and more workers are left out of employer-sponsored health care plans.

Another thing that obscured the growing wage stagnation in recent years was the rapid rise in home values. Workers who owned their own homes saw the value of these houses jump. And they could use this increased value to pay bills by taking out home equity loans. So workers who were struggling to make ends meet were able to put off the day of reckoning by stretching their credit. This didn't mean any increase in wages, of course, but it meant workers could keep up their consumption levels. But the housing bubble has now officially burst, and home prices are declining. Rising interest rates on adjustable-rate mortgages and home-equity loans have left indebted home owners with heavy burdens of monthly payments. Many workers have actually lost their homes or been forced into bankruptcy.

Census report: more bad stats

In August the U.S. Census Bureau came out with its midterm (five-year) report about trends in population, income, housing, etc. The bureau's report showed that for the years 2001 through 2005 the average family got ahead only by working at more jobs that paid less money. Average household income rose, but that

was only because more people in the household worked. Housewives, retirees, and teenagers were able to get part-time jobs, and so family income rose. But earnings for individuals working full-time jobs actually fell in real terms. Wages for full-time working men dropped for two straight years, 2004-05, and for full-time working women wages dropped for three straight years, 2003-05. Things were even worse for blacks; households headed by blacks actually lost income during these years.

In 2005 the portion of Americans living in poverty was 12.6%, an increase since 2000. It's a horrible indictment of the Bush administration to note that poverty has actually increased since the trough of the "Bush recession" which ended in 2001. At that time, in a period of high unemployment, the poverty rate was 11.7%. Since then, as the economy has rebounded in the "Bush recovery", poverty has actually *increased* to over 12%. These are the official figures admitted by the government. Meanwhile the percentage of Americans in "deep poverty" – those living on incomes below half the poverty line – has reached the highest numbers ever seen since the government began keeping track of that number in 1975. It's likely that for families living in deep poverty, actual hunger has increased; but this is hard to keep track of because under Bush's lead the government agency in charge of these statistics has eliminated the word "hunger" from its reports, changing it to euphemisms such as "very low food security". As Bush redefines "victory" in Iraq, he redefines "hunger" for the poor.

Many of those in poverty also lack health insurance, but they're not alone. The number of Americans not covered by insurance has *increased* during the Bush years and is now up to a record 46.6 million, or 15.9% of the population.

Census figures confirm the deepening divide between rich and poor. And they confirm that economic growth by itself is not the answer to poverty and lack of insurance. The capitalists always tell us, "If the pie is larger everyone can have a bigger slice." But this is a lie. GDP growth has been strong the last few years and productivity growth impressive. Workers are laboring harder than ever and producing more. But the benefits of growth are not being shared. The capitalists are grabbing ever bigger slices of pie for themselves while the workers are left with empty plates.

Democrats on the attack

While the news was full of grim statistics, Democratic Party ideologists went on the attack, trying to make sure voters pinned the blame for economic ills on incumbent Republicans. This attack was spearheaded by liberal editors and op-ed writers for the *New York Times*. The *Times*' specialist in economic matters, Paul Krugman, wrote a number of columns going after Bush and the Republicans for their economic policies.

In his column for Sept. 1, "The Big Disconnect", Krugman pointed to the difference between overall economic growth and the growing squeeze on working people's paychecks. Interestingly enough, Krugman showed that this disconnect didn't just begin with Bush, that the stagnation of real wages goes back more than 30 years. Wages of non-supervisory workers peaked in the early 1970s, at the end of the 1960s boom. Since then workers have sometimes gained ground, sometimes lost, but they have never earned as much as they did in 1973. But Krugman cited this history only to try showing how terrible the

Republicans have always been. He blamed the stagnation in real wages for the past generation on Republicans alone, forgetting that out of this 33-year period the Democrats had the presidency for one-third of the time and control of Congress for two-thirds.

Krugman advised the Democrats to take advantage of the Republicans' economic failures by launching a renaissance of "smart, bold, populist politicians." In terms of policy, Krugman called for universal health insurance as a step that would mitigate the growing inequality.

Krugman followed up on Sept. 8 with "Whining Over Discontent", in which he answered Republicans like the *Times*' David Brooks who complain about the discontent with recent economic stats. In a Sept. 7 column Brooks, like Bush, tried to blow off the grim news and bluster his way through it by asserting that things are better than ever. But Krugman argued that you can't brush aside Americans' discontent with the economy by attributing it to something else. You can't just blame it on the high price of gasoline or the war in Iraq:

"...most Americans think it's a bad economy because for them, it is. The lion's share of the benefits from recent economic growth has gone to a small, wealthy minority, while most Americans were worse off in 2005 than they were in 2000." Addressing long-term trends, Krugman said, "... the United States as a whole has grown a lot richer over the past generation, but the typical American family hasn't."

Krugman excused the fact that inequality also increased under the Clinton administration. People didn't mind the rich getting richer then, he said, because the middle class and the poor were also making "substantial progress." Krugman is correct that at the height of the Clinton boom, in the years 1998-2000, workers did receive some wage increases greater than the inflation rate. But in the years before that, as the stock market boomed and profits soared in the mid-90s, workers' wages stagnated just as they have under Bush. And even at the height of the boom, workers did not receive anything like the percentage gains scored by the stockbrokers, CEOs, bankers and corporate executives; so they fell behind in relative terms even when they got wage raises. At the same time the average worker's job insecurity increased many-fold as the American economy became more and more centered on services and international trade. Financial security and basic insurance are more and more dependent on one's employment, but employment security is rapidly fading in the brave new world of the neo-liberals.

Since Krugman is advocating health care reform as a major first step in spreading prosperity, it bears asking, what did the Democrats do on this issue last time they had the White House? The answer is — nothing. After making a lot of noise about health care reform when he first took office, Clinton dropped it when he encountered opposition from the capitalist private insurers. The Democratic candidate in 2000, Al Gore, was happy to leave this issue alone. In 2004 the Democrats' John Kerry proposed a new plan for health care reform, but it was exceedingly cheap, not at all the type of universal plan advocated by Krugman himself and far away from the "populist" politics Krugman calls for. But that didn't stop Krugman from campaigning for Kerry.

Continuing the campaign

Krugman wrote another column Sept. 15 ("Progress or Regress? The debate over the middle class") in which he summed up his assertions about recent economic history and gave his orientation for the coming midterm election:

"Here's what the numbers say: From the end of World War II until 1973, when the first oil crisis brought an end to the postwar boom, the U.S. economy delivered a huge, broad-based rise in living standards: family income adjusted for inflation roughly doubled for the poor, the middle class, and the elite alike. ...

"Since 1973, however, the picture has been mixed. Real median household income . . . rose a modest 16% between 1973 and 2005. But even this small rise didn't reflect clear gains across the board. The typical full-time male worker saw his wages, adjusted for inflation, actually fall; the typical household's real income was up only because women's wages rose . . . and because more women were working. . . .

"... The United States is far richer and more productive than it was a generation ago. . . .

"Yet in spite of all this technological progress, which has allowed the average American worker to produce much more, we're not sure whether there was any rise in the typical worker's pay. Only those at the upper end of the income distribution saw clear gains. . . .

"... What we should be debating is why technological and economic progress has done so little for most Americans, and what changes in government policies would spread the benefits of progress more widely. An effort to shore up middle-class health insurance, paid for by a rollback of recent tax cuts for the wealthiest Americans — something like the plan proposed by John Kerry two years ago, but more ambitious — would be a good place to start."

Here it is 2006 and Krugman is still campaigning for Kerry and his health care plan. Kerry's plan was in fact a very mild expansion of Medicaid and an attempt to get more Americans covered by private insurance through government subsidy. This is the sort of plan endorsed wholeheartedly today by the private insurers themselves. It maintains and in fact strengthens the private-insurance industry which is choking the life out of health care in the U.S. Today some Democratic politicians endorse much more extensive reform proposals such as John Conyers' HR 676, which calls for a single-payer system and elimination of the private insurance industry. This proposal has gotten the backing of some major Democratic Party interest groups such as UAW. So even as a reformist Krugman is dragging his heels.

Nonetheless Krugman's column raised a good question: Why has technological progress done so little for most Americans? But he didn't answer this question. Krugman sees the problem but can't understand how it exists. This is because Krugman is blinded by liberal capitalist ideology which preaches that rising living standards inevitably accompany rising productivity. Krugman himself in his 1990s book *Pop Internationalism* promoted

that rising productivity is the most reliable indicator of rising wages for workers. Krugman used this supposed fact to support his neo-liberal embrace of free trade, arguing that free trade promotes more rapid rises in productivity and *hence* (according to him) rising living standards for everyone. Krugman can't understand what's happened under Bush: we've had years of globalized free trade, with the capitalists free to move capital between countries, outsource jobs, and maximize "comparative advantage" in trade. The national and world capitalist economies have rapidly expanded, and profits are soaring like never before; but oddly enough, it has *not* generated improved standards of living for the masses.

Krugman sees the "big disconnect" between the social wealth generated by capitalism, and at the same time the disgusting poverty it generates. His liberal ideology tells him this doesn't make sense, and he doesn't know what to make of it. With his faith in free markets, Krugman turns to politics for the answer, and he tries to blame the Republicans' distortions of proper liberal policy for the problem. Then he ends up with a typical liberal program, advocating a cheap health insurance program as a sop to those who have been left out of the massive expansion of wealth in the heyday of neo-liberalism.

Inequality: a capitalist tradition

Increasing inequality in the midst of capitalist growth is nothing new. Back in the 19th century it was widely recognized. The opening sentence of the Inaugural Address of the International Working Men's Association (founded 1864) tells us that "the misery of the working masses has not diminished from 1848 to 1864, and yet this period is unrivalled for the development of its industry and the growth of its commerce." After backing up this statement with statistics from England, the Address goes on to say,

"... the English facts reproduce themselves in all the industrious and progressive countries of the Continent. In all of them there has taken place, since 1848, an unheard-of development of industry, and an undreamed-of expansion of imports and exports. . . . Everywhere the great mass of the working classes were sinking down to a lower depth, at the same rate, at least, that those above them were rising in the social scale. In all countries of Europe it has now become a truth demonstrable to every unprejudiced mind, and only denied by those, whose interest it is to hedge other people in a fool's paradise, that no improvement of machinery, no appliance of science to production, no contrivances of communication, no new colonies, no emigration, no opening of markets, no free trade, nor all these things put together, will do away with the miseries of the industrious masses; but that, on the present false base, every fresh development of the productive powers of labor must tend to deepen social contrasts and point social antagonisms."

Direct spokesmen for the bourgeoisie also noted the phenomenon of increasing inequality in the midst of commercial expansion. William Gladstone, a 19th-century leader of Britain's Parliament, in a speech to the House of Commons on Feb. 13,

1843, said,

"It is one of the most melancholy features in the social state of this country that while there was [in recent times] a decrease in the consuming powers of the people, and while there was an increase in the privations and distress of the laboring class and operatives, there was at the same time a constant accumulation of wealth in the upper classes, and a constant increase of capital." (Quoted by Karl Marx in *Capital*, Vol. I, Part VII, Chapter XXV, Sec. 5(a), "England from 1846-1866," p. 651 of the International Publishers edition.) Twenty years later, in 1863, Gladstone made a similar speech in which he said, "From 1842 to 1852 the taxable income of the country increased by 6 per cent . . . In the 8 years from 1853 to 1861 it had increased from the basis taken in 1853 by 20 per cent! The fact is so astonishing as to be almost incredible. . . . this intoxicating augmentation of wealth and power . . . entirely confined to classes of property. . . . (*Ibid.*)

Gladstone tried to excuse this obscene profit-taking by saying that somehow, indirectly, it would benefit the working masses. He said the accumulation of wealth by the rich

"must be of indirect benefit to the laboring population, because it cheapens commodities of general consumption. While the rich have been growing richer, the poor have been growing less poor. At any rate, whether the extremes of poverty are less, I do not presume to say." (*Ibid.*)

Commenting on these quotes, Karl Marx pointed out that if the workers have only remained "less poor" as the rich piled up their wealth, then *relatively* they have remained just as poor. (*Ibid.*, p. 652) That is, even if some of the basic commodity goods have become cheaper for the workers, and their material standard of living has improved a little bit in absolute (material) terms, still they have fallen behind the capitalists in relative terms. They have lost control of their lives to the extent that they became more and more dependent on the capitalists who control the means of production, the sources of credit, etc. Even if workers' lives improved a little in material terms, they became less and less able to ascend the social scale. Social mobility declined as workers became more dependent for their income on employment by the capitalists and more insecure in these jobs.

Marx also pointed out that, in any case, Gladstone was actually wrong when he said commodities of general consumption had declined in price, and he gave evidence that the prices of many basic goods had in fact risen in price over the years 1842-61. This discussion is reminiscent of today's debate over the "basic basket" of consumer goods and the Consumer Price Index. Republicans especially — since they have presided over the economy for the past six years — say the rise in CPI is overstated, and that because some consumer goods (e.g., electronic goods, some clothing and tools, etc.) have fallen in price, the average worker's absolute standard of living — his access to material goods — has improved. Other economists point to the rise in health care costs, college education, the rise in price of autos, houses, and gasoline to say that the cost of living is rising fast, and workers' absolute standard of living is stagnant. But however this issue gets resolved, there can be no

question that, just as in Marx's day, the workers' share of social wealth has declined, and their *relative* poverty has increased. As in Marx's day, workers are steadily becoming more and more dependent on capitalist credit institutions for basic survival, more and more dependent on their jobs and weekly paycheck to survive and maintain basic health care, and more and more insecure in these jobs.

These quotes from the 19th century show that increasing inequality is a long-time inherent tendency of capitalist development. Increasing poverty in the midst of increasing economic growth is a basic tendency of capitalism that occurred then and is occurring now.

Who gets the surplus?

In *Capital* and other works Marx explained the mechanism of "surplus value" — how the workers are only paid part of the value of the labor they perform. Labor produces wealth beyond what is necessary for workers to survive and raise families at the accustomed level. The wealth produced by labor is divided into two parts: what labor receives back as wages, and the surplus value which is the source of capitalist profit. The larger the surplus value, the less the workers receive back and the lower their standard of living. But the more the workers demand improvements in their conditions of life, and receive it, the more the wealth they get back, and the less the surplus value. Thus when the amount of wealth created by labor increases, due to technological progress or more intense labor or other reasons, there is still the question of how this increase will be divided between wages and profits.

This answers Krugman's question as to why technological progress has done so little to improve economic conditions for most Americans. Both capitalists and workers are dipping into the same well, and if one of them is using a bigger dipper, then the other necessarily gets a smaller drink. As Marx put it: "Profit rises in the same degree in which wages fall; it falls in the same degree in which wages rise." (*Wage-Labour and Capital*, Ch. VII, "The General Law that Determines the Rise and Fall of Wages and Profits.")

Ordinarily the capitalists use their positions of dominance in the economy to ensure that they get the big dipper's share of wealth generated by new, more efficient methods of production. Instead of returning surpluses to workers in the shape of wage raises, they pocket the surplus as profit.

By working more efficiently workers could theoretically produce more goods than before, goods that could be sold — if there is a market for them — to the masses at cheaper prices. But working more efficiently often does *not* mean producing more goods. This is because the capitalists often accompany new, more efficient methods of production with layoffs of workers. In fact the new "efficiencies" are often simply layoffs and nothing else. Each individual worker may be working harder than ever and producing more, yet overall production may remain at the same level. By getting fewer workers to produce the same amount of goods and by selling those goods at the old price, the capitalists can acquire cost savings and thereby realize more profit. They may sell the same amount of goods at the same price, yet realize more profit off this mass of goods simply because of the cost savings from employing fewer workers and paying less for wages and benefits. During so-called "difficult"

times for an industry, the capitalists are able to pull off these cost savings by directly cutting wages, as they did to meatpacking workers in the 1980s and as they're doing now to the workers at Delphi.

At more expansive times new efficiencies are accompanied by the actual hiring of new workers. The work force expands as more and more sectors of the population (housewives, seniors, teenagers, etc.) are drawn into employment. But to maximize productivity and keep labor costs down, the capitalists move towards more capital-intensive production, using machines to produce more quickly and efficiently. So even though more workers are hired, the accumulation of capital and the intensification of capital in production are occurring at an even faster rate. Here again the workers fall behind in relative terms even though some of them have gotten new jobs. And though the work force expands, more and more workers are put into a category of reserve employment, employed during booms but then laid off in the ensuing bust.

As productivity improves, more and more surplus is generated, but if the capitalists have their way this is simply pocketed as profit. Even when they are forced to grant workers a raise in pay, this is usually not equal to the rise in profits. So workers still fall behind in relative terms. And the workers who have been laid off due to productivity improvements now have no income at all (or only a temporary pittance as unemployment compensation). Among the millions of unemployed, there are some who eventually lose all their benefits without landing a new job and end up in the throes of poverty. This is the general pattern of capitalist accumulation described by Marx. (See *Capital*, Vol. I, Part VII, Chapter XXV, "The General Law of Capitalist Accumulation".)

Even without a raise in wages, expansion of production coupled with improvements in productivity may cause a fall in the price of goods and can thereby increase the buying power of workers' wages. But it also intensifies the pressure to keep wages stagnant or even cut them, since under capitalism there is no reason to increase wages beyond what is necessary for workers' basic needs. If the capitalists could prove that the "basic basket" of consumer goods actually declined in price overall, no doubt they would press for *negative* COLA payments, for wages to be automatically cut to correspond to price declines.

As Marx points out, workers who have been laid off as a result of the capitalists' productivity drive are not really "redundant" or irrelevant to the economy. Their presence plays a crucial role in keeping wages down by reminding those still employed that they might be next, and they can easily be replaced. So the rate of wages generally follows the path of the capitalist business cycle. During a recession, when more workers than usual are unemployed and the competition for jobs is intense, it's quite difficult for the workers to gain a raise. At the height of a business boom, when unemployment is low, the capitalists bid up the price of wages seeking to attract workers. But even then some section of the work force is unemployed and hence acting as a brake on raises. And a fair portion of this "industrial reserve army" is constantly falling into absolute poverty, permanent unemployment and destitution. This tendency to create more and more poverty is a constant reality under capitalism, because the capitalists make higher profits by keeping employment at the absolute minimum and constantly pressing to keep wages down. Marx calls this the "absolute

general law" of capitalist accumulation: the system's tendency to create more and more poverty and misery in the course of its drive for greater profit. (See *Capital*, Vol. I, Part VII, Chapter XXV, Section 4, p. 644.)

The need for struggle

But the capitalists don't always have things their way. This is because workers have the ability to organize, and by overcoming the competitive forces imposed on them by the capitalists the workers can force concessions out of them. This is the basis of the economic struggle in capitalist society. The spontaneous economic forces of capitalism are constantly pushing workers' wages and benefits down, and if workers did not organize to fight back against this tendency, they would soon find themselves mired in poverty.

In his work *Wages, Price and Profit* Marx pointed out the importance of workers struggling for higher wages from the capitalists. As the economy expands and productivity improves, the workers generate more and more surplus value — wealth beyond what is necessary to simply maintain their existence. Who receives that surplus wealth — the workers or the capitalists — is not set by any economic law. The only thing definite is that wages and profits vary in an inverse ratio: if workers receive higher wages, the capitalists will get lower profits. Because of their control of production and employment the capitalists have an advantage, and the general tendency is for them to seize as much of the surplus as they can while keeping workers in a state of basic survival.

But the workers can fight against this tendency by getting organized and carrying on struggle — strikes, etc. — against the capitalists. This is the main problem that has afflicted the working class over the last generation: their mass organizations of struggle have degenerated and collapsed in the face of the capitalist onslaught. As Krugman and other economists point out, it's not that the economy has collapsed, that capitalism stopped growing, or that it stopped making advances in technology and productivity. The Scientific and Industrial Revolutions continue to leapfrog ahead just as they did in Marx's day. The fact that the benefits of economic growth are not being shared out is due to a lack of determined class-struggle orientation on the part of workers' organizations.

It was pointed out above that recessions are the most difficult time for workers to defend their wages against cuts by the capitalists. But the American workers made dramatic gains in terms of economic struggle during the Great Depression of the 1930s. During this time the workers organized themselves into industrial unions and carried out a series of enormous struggles including sit-down strikes and general strikes. The organizations that achieved recognition were then able, over the next period of time, to enforce steadily rising wages and benefits, limitations on work hours, etc. This history shows that regardless of economic conditions, boom or bust, the crucial thing in gaining benefits for the workers is struggle. As Marx said, "The matter resolves itself into a question of the respective powers of the combatants." (*Wages, Price and Profit*, Chapter XIV)

Hence economic struggle against the capitalists is a constant necessity for workers. But in carrying on this struggle the workers also raise the possibility of an entirely new social order in which the class struggle is superseded as workers take direct

control of the economy themselves. In his works Marx stressed that in the movement of the present workers should also be organizing for the society of the future, when capitalist profit-making is eliminated and the working class builds socialism.

Socialism is the solution

Bourgeois politicians promise reforms to alleviate the class differences engendered by capitalism. Today for example they're talking about raising the minimum wage and expanding health care insurance coverage. But two things have to be kept in mind when listening to their promises. First, nothing will happen without pressure from the masses. Even if they legislate some reform on health care, it's bound to be a cheap, ugly program that forces the workers to finance it unless there's mass pressure to make the rich pay. Secondly, no reform, no regulations or controls on capitalism can do away with its basic tendency to drive the masses into proletarian poverty while enriching the capitalists. The only thing that can do away with this basic tendency is to do away with capitalism itself through a revolutionary transformation of society. This will be accomplished by the working class rising up, doing away with capitalist ownership of the means of production and taking control of production and management themselves. Republicans and Democrats compete over who can make the most alluring promises, but all their promises are fundamentally empty since they never address the basic question of which class owns and controls the means of production.

Under capitalism, private ownership of the means of production is used to defend and extend the class privileges of the bourgeoisie. But with the workers in charge under socialism, common ownership of the socialized means of production is used to abolish classes, do away with privileges and guarantee a steadily rising standard of living for the masses. This includes

greater access to material goods and longer periods of leisure time. Social services will expand and environmental clean-up made a priority to ensure better living conditions for the working people. Productivity increases will be used to benefit the workers rather than amass piles of wealth for capitalists.

Bourgeois apologists tell us socialism is impossible. But the new globally integrated economy is casting aside the misconceptions of bourgeois political economy and liberal politics. There have been times when a growing economy and growing productivity coincided with rising wages. This led liberal economists like Krugman to say they are naturally connected. But recent exposure of the "big disconnect" shows this ain't necessarily so. The only thing constant about capitalism is the insatiable drive for profit at the expense of the workers. And the only constant for workers is the need to struggle against the capitalists, to keep their heads above water until they can manage to swim ashore to socialism.

The Industrial Revolution has been going on for well over 200 years. The capitalists have built a globally integrated economy with auto, steel, electronics and computer mass production in many countries. But they are not going to share out the wealth produced by this globalized economy without struggle. And the only way for workers to guarantee steadily rising living standards is for them to take direct control of the economy, do away with capitalist profit-making and put the economy on a new basis of production for people's needs. This is not simply reformed, regulated or controlled capitalism. Nor is it bureaucratic state-capitalism where a new class of state-capitalists lords it over the workers, and the basic economic laws of capitalism remain intact. Socialism means doing away with institutional inequality and liberating workers from class oppression for good. □

Stern's call for collaboration with the bosses

Book review of Andy Stern's *"A Country That Works: Getting America Back on Track"*

by Pete Brown

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Andy Stern is the president of SEIU, one of the largest unions in America, and one of the main leaders of the Change To Win labor federation, which was formed a couple years ago by unions that defected from the AFL-CIO. Stern's new book gives his political perspective and explains why he split from the AFL-CIO.

Stern's perspective can be roughly grasped from the title and subtitles of his book. *A Country That Works* is a play on words, meaning both "an efficient country, a country that functions" and "a country in which labor plays an important role and is properly rewarded." Stern approaches everything from a patriotic American standpoint, but his perspective is that America would be better off — meaning richer, more powerful, etc. — if the work of the average American (for example, members of SEIU) were more richly rewarded. To this end Stern proposes a set of reforms which boil down to taxing the rich, which Stern calls "getting them to pay their fair share", and increasing government spending for programs that benefit the working masses and help them advance their social status (education, health care, internet subsidies, etc.). This is what Stern means by "getting America back on track." To help argue for these reforms Stern has some exposure of present economic conditions. These conditions are summed up in a second subtitle: "Something's wrong with a country that helps the rich get richer while most Americans get the squeeze."

Stern is correct that "something is wrong." And his exposure material is accurate as far as it goes. The book's main defect is Stern's method of solving problems. This is based on a superficial, patriotic analysis of American society, coupled with a desire to find "workable," "realistic" solutions to problems — meaning solutions acceptable to corporate America. Stern sees some of the symptoms of capitalism but doesn't grasp that capitalist profit-making is the main, underlying problem. So he proposes a series of quick fixes he thinks corporate leaders will be happy to endorse. Assuming they're nice, friendly, patriotic Americans just like Stern, why wouldn't they want what's best for America? In reality, of course, the corporate leaders won't agree even to cheap reforms without pressure from a mass movement. But instead of doing the hard work of building a new, independent movement of the working class, Stern thinks he can get his reforms implemented by appealing to the capitalists' "good sense."

If Stern were some bourgeois do-gooder, there wouldn't be much harm in this. If he could get the leaders of Wal-Mart, etc. to agree to some reforms that benefited workers, that would be fine. And to the extent that he failed, nothing would be lost — no

harm done. The trouble is, being in a position of influence in the labor movement, Stern's viewpoint influences millions of workers in a very reformist, patriotic direction. Stern specifically wants to steer workers away from more radical politics and working to build an independent political movement based on class struggle.

"The market's unhinged"

The first section of Stern's book describes the present situation. Chapter One, "A Country That Doesn't Work", exposes current economic conditions. In this chapter Stern talks about the stagnation of workers' wages, lack of health insurance, etc. Despite the growing American economy, workers are not participating in the growing wealth. Stern sums up the situation in the phrase, "The market has come unhinged." This expresses his belief that the free market is not working the way it should. It doesn't properly reward work. Further on Stern will propose a set of government reforms to regulate and guide the market.

Actually there is much dissatisfaction and unease among workers today because of the way they're getting screwed by the market. This is shown by the agitation at Delphi and the extensive organizing campaigns among some sections of the work force, especially the lowest paid. But Stern doesn't discuss the question of how to channel this dissatisfaction into a rousing mass movement.

In Chapter Two, "Globalization Is For Real," Stern describes his trips to China. These trips had a big influence on Stern in opposing the narrow nationalism of other AFL-CIO leaders. Impressed by China's rapid economic growth and the potential of a Chinese workers' movement, Stern argues that China cannot be ignored. Stern tries to show in this chapter that he is a hip, post-90s modernist who understands the importance of world trade. He doesn't go into the specifics of arguments within AFL-CIO circles, but it's clear he wouldn't be sympathetic to calls to cut off trade with China.

A bureaucrat's bio

The next few chapters give Stern's personal life story. The basic argument is that Stern's experience provided him with the viewpoint and knowledge to offer up the reforms necessary to "get America working."

Stern graduated from college with a degree in social work. Hired as a state social worker in the 1970s, Stern began attending meetings of the recognized union, SEIU, and soon became a steward and union activist. Working his way up through the bureaucracy, in the 1980s he was appointed organizing director for national SEIU by its president, John Sweeney. With Sweeney's support Stern carried out successful organizing campaigns, the best known being the ongoing Justice for Janitors. When Sweeney left SEIU to become president of the AFL-CIO in the 1990s, Stern ran for and was elected SEIU president.

During the late 70s, as an up-and-coming labor bureaucrat,

Stern served on various labor-management committees. He doesn't provide any details about this service, which is too bad, because this is clearly where his basic viewpoint was formed. In the late 70s, during the Carter administration, the capitalists began preparing their re-industrialization onslaught against the working class which eventually meant massive plant closings, layoffs, and demands for wage cuts and other concessions. Together with the Democrats in Congress, Carter prepared the working class for the chopping block by proposing legislation that would authorize government-imposed wage controls and mandatory arbitration in wage disputes. Militants of the time fought against these attempts on the part of the capitalists to bring the workers' movement under control. But the AFL-CIO bureaucracy supported legislation such as the Humphrey-Hawkins bill which had that goal. And they supported the establishment of labor-management committees in various localities, regions and industries to promote collaboration between trade union organizations and the capitalists. This is where Stern gained his basic training in class collaboration.

The way Stern poses things, he developed a new, modern mentality opposed to the old ways of doing things in the AFL-CIO. He specifically criticizes the idea of class struggle, saying "class struggle mentality was a vestige of an earlier, rough-and-tumble era of industrial unions . . ." (pp. 70-71). When he became the leader of SEIU, Stern proudly pioneered new methods of class collaboration with employers. For example he set up methods of resolving grievances by arranging B.S. meetings between union reps and supervisors at Kaiser health plan. When observing such meetings later and hearing how the union reps talked, Stern brags that "As hard as I tried, I could not distinguish the union representatives from the management representatives" (p. 70). But what Stern sees as a great achievement — getting union reps to talk just like supervisors — is no doubt regarded as a grave setback by the average Kaiser health plan employee.

Stern counterposes a commitment to organizing — building the membership base of unions — to class struggle, negating the fact that the union movement had made tremendous gains in membership precisely when many union organizers had a strong commitment to class struggle tactics, such as in the latter 1930s. Stern says his focus on organizing led him to split from the AFL-CIO, thereby creating the impression that the AFL-CIO is too much committed to class struggle. This is laughable. Stern himself learned his anti-class struggle tactics in the ranks of the AFL-CIO. His organizing drives rely heavily on "corporate campaign" tactics, to embarrass stockholders and members of the board of corporations rather than trying to really pressure them economically. And Stern learned these tactics as an AFL-CIO organizer.

Stern goes into the AFL-CIO split in Chapter 5, "Taking It To the Next Level." Stern had overseen rapid growth of SEIU and didn't sympathize with other unions that were shrinking. In this respect he has some sharp critical comments about the labor federation, as:

"It [the AFL-CIO] became increasingly irrelevant to its remaining members, and the signs became obvious that a shrinking movement had become less relevant to the economy and the changes confronting the workforce at the exact time when the disparity of wealth, the decline in health care

coverage and retirement security, and stagnant wages demanded labor's relevance even more" (p. 79).

Stern had ideas for carrying on organizing campaigns and thought the AFL-CIO as a whole could support them if it streamlined its organization and devoted more resources to organizing; he also wanted a more centralized hierarchy, which would increase the power of the higher-up union bureaucrats like himself. When these proposals were rejected, he split.

Stern did oversee rapid growth in the size of SEIU. Stern trades on this experience as his main credential in putting forward a program of reform, that he knows how to get things done. And it's true that SEIU has been growing while other unions like UAW were shrinking. But partly this was just a matter of being in the right place at the right time — SEIU's membership base was in the service industries that were rapidly growing, while manufacturing was shrinking. Stern self-promotes his and SEIU's organizing strategies, but sometimes these were just commonsense ideas, like hiring Spanish-speaking organizers to deal with the large and growing number of Hispanic workers. A large part of SEIU's growth was also due to merger and consolidation, most importantly with 1199, the East Coast hospital workers' union. This was a good idea, but it didn't involve any increase in union membership. Some of SEIU's growth was due to raiding or at least organizing in disputed territory, as for example against AFSCME and the California Nurses Federation. And some of Stern's successes in organizing new employers was due to simple horse-trading, agreeing to support corporate political/legislative goals in exchange for employers' recognition of SEIU as their bargaining agent.

Playing the political field

Stern also criticizes the AFL-CIO's political attachment to the Democratic Party and their beleaguered hope that success could only come by

"electing friendly politicians who would in turn improve labor laws. . . . It was the old chicken-and-egg question: change the political process before you could grow stronger or grow stronger to change the political process. Unions had been waiting for a long time for Democrats to rescue us. Despite four Democratic presidents since the AFL-CIO's inception, and decades of a Democratic-controlled Congress, the union movement had steadily lost members. Hitching our fate to politics and Democratic politicians had proved to be a losing strategy for American workers". (p. 93)

Here and later Stern has some sharp criticisms of the Democrats. At political conventions and other meetings Stern has seen close-up the class nature of Democratic Party leaders, how they hobnob with the biggest bourgeoisie and pay no attention to workers' demands. He goes beyond Thomas Frank (author of *What's the Matter With Kansas?*), who criticizes the Democrats for allowing themselves to be perceived as elitist but still upholds the Democrats as the party of the masses. Stern says it isn't just a matter of perception; they *are* elitist.

Stern wants labor unions to be independent of the Democrats.

But this isn't a call to build an independent movement to the left of the Democrats. Far from it; Stern's idea of "independence" is being in between the Democrats and Republicans, playing the bourgeois electoral game for who can make the best offer. And once having made an electoral commitment, Stern doesn't hold back from supporting his favorite bourgeois politician. He brags that SEIU spent \$65 million during the last presidential campaign supporting John Kerry, and that SEIU members did much of the phone-bank work, etc. trying to turn out a pro-Kerry vote. This is *after* Stern had criticized the elitism of the Kerry Democrats.

An enlightened capitalism?

In the last couple chapters Stern gives his ideas for reform. Chapter 8, "Don't Let Them Fool You," concentrates on ideology, on Stern's general arguments for why reform is possible and necessary. Then Chapter 9 gives his political prescriptions.

In Chapter 8 Stern disproves a number of misleading arguments or "diversions". Much of this is just a plea for better government statistics to highlight the plight of the average worker. For example Stern criticizes the "average wage diversion", that statistics about "the average wage" divert attention away from the stagnant wages most workers receive by making it look like wages are actually increasing. This is because the "wages" of stockbrokers, CEOs and other corporate executives are lumped in with the wages of factory workers and janitors. Discussion of the "growing economy diversion" criticizes economic statistics about growth in GDP which make it sound like the economy is getting better for everyone when in fact growth in GDP is occurring simultaneously with growth in poverty and inequality. Stern also criticizes the "market diversion", the idea that the free market if left to itself will eventually solve the problem of unequal distribution. In fact, he recognizes, free markets make it worse.

Chapter 9, "A Plan for a Country That Works," contains Stern's plan for controlling and regulating the market so it will better reward workers. First, on payroll and income taxes: Stern advocates getting the rich to pay more in taxes and using that to exempt workers who make less than \$50,000 a year -- or, if more tax income is generated, exempt those who make less than \$100,000. Stern is somewhat loose about exact numbers, but the main idea is clear: tax the rich more, tax the workers and poor less.

Stern's major reform call is for a new national health care insurance system. His focus is on universal access — a plan that covers everyone. As specific plans, Stern suggests something like the federal employees' health plan, which makes a variety of private insurance plans available to federal workers. Or another alternative he throws out is extending Medicare to everyone. This would be more like a single-payer plan that would leave out the private insurance firms. But again another alternative is the Massachusetts state plan, which mandates private insurance coverage for everyone. This would be great for the insurance companies, as it would force people to buy minimal coverage at inflated prices, and it would channel state subsidies to the insurance companies. But it would shove the real problem of health coverage under the rug and let it grow worse. In his book Stern doesn't argue for one choice over another, insisting only that the discussion and decisions should begin right away on

getting universal coverage.

Demanding universal coverage is a good idea, but we should also have a clearer idea of what type of plan to advocate, or we might end up getting in a bigger mess than at present. The private insurance industry is driving up costs at an alarming rate, and Stern himself says their administrative costs average 9.5% while Medicare's administrative costs are under 3%. So it would make sense to advocate a single-payer extension of Medicare. But according to news reports Stern is actually advocating the fraudulent market solution that mandates private-insurance coverage for everyone. Stern has formed a lobbying coalition with some big corporations including Wal-Mart to press for such a program. Apparently this is a result of Stern's class-collaborationist attitude toward private insurers, some of whom have labor contracts with SEIU. So he isn't really as open-minded about alternative plans as he makes out in the book. This is controversial even within SEIU, as some locals advocate a single-payer plan and don't appreciate Stern campaigning for a mandated private-insurance plan.

Stern is pretty open-ended when it comes to the question of financing a new health insurance system, his only statement being that the system should "allow employers, individuals, and government to share in financing." That's awfully nice of Stern to allow individual workers to share in paying for the system, but workers might prefer a plan like John Conyers' single-payer plan, which would be financed by a 3% tax on employers.

Stern's other major reform call is for a new retirement system. Again he targets an enormous and growing problem, but his solutions are vague. Stern tries to weave a middle ground between the Democrats' supposed defense of Social Security as it exists and Bush's call for individual retirement accounts. Then he gets into his bureaucratic mode trying to lay down all kinds of rules that individual retirement accounts would have to obey. It never occurs to him that workers and their unions should formulate demands to preserve and strengthen Social Security, nor does he formulate demands that workers should make against their employers for guaranteeing company pensions.

Stern has a number of other reforms in mind, but in general these all depend on the government generating enough income from taxes to pay for them, and Stern concludes his book with suggestions about new taxes. For one thing, he wants to see taxes on corporations increased. Again he has some good statistics to back up this demand: corporate tax revenues as a share of the federal budget have shrunk from 28% in the 1950s to 21% in the 1960s to 10% in the 1980s to 2% in 2005! Yet in 2005 corporate profits were the highest, as a percentage of GDP, in many decades. Clearly the capitalists are getting away with murder when it comes to avoiding paying for their government. Similarly, Stern calls for higher income taxes on wealthy individuals. But he doesn't envision any struggle, relying instead on collaborationist deals.

Stern is just brimming with new ideas, many of which are quite possible to implement and some of which are quite necessary for economic growth. But who will pay for them? Will the capitalists agree to pay all these new taxes on their corporate profits and individual incomes? Unlikely; they're more likely to demand new taxes on workers to pay for any new government programs. Stern thinks his enthusiasm for reform will overcome any class differences, the rich happily jumping on board as soon as they realize how patriotic and enlightened his program is. But

a scheme of giant class collaboration such as this is unlikely to produce much that is good for the workers. The mandated private-insurance health care plan he advocates would be inefficient and cumbersome, and since Stern is determined to get something the capitalists can sign on to, would probably be financed mostly by the workers themselves. It's not a bad idea to

contemplate reforms, but workers' present misery and uneasiness needs to be channeled into a movement, not frittered away on hopes for collaboration with their exploiters. The rise of the workers' own independent movement is the only way that the workers can fight for effective reforms, and it also opens the doors to a large-scale revolutionary movement. □

Vote 'no' on the tentative American Postal Workers Union contract!

From "Detroit Workers' Voice" #62, December 24, 2006:

Postal clerks are presently voting on a tentative contract negotiated by national APWU leaders with postal management. This contract is a cheap, more-of-the-same contract. It guarantees that postal workers will continue to work more intensely as postal management continues to pile up billions in profits and bonuses for managers. Job security will continue to erode as management combines jobs, abolishes jobs and refuses to hire new help.

APWU leaders are selling this contract to clerks as "the best we could do". They argue, "it could have been worse". This shows how far things have gone with APWU, when it never occurs to them that it could have been *better*. But to achieve something better might require some organization and agitation among the rank-and-file postal clerks. And this is beyond the scope of APWU leaders. They didn't use mass picketing or any other means to rally us for struggle and to expose management's lousy contract in public. Instead they focused on the APWU being a profitable business enterprise (see section on health concessions below).

The APWU leaders also claim, "we couldn't get anything better from an arbitrator". True, the arbitrators are not in the workers' corner. But arbitrators can be influenced by a determined struggle. And so can postal management; if workers reject the tentative contract this would be a first step to pressure management to come up with something better.

Profits rocket, management still picks our pocket!

The financial health of the post office couldn't be better. The P.O. has made eight billion dollars in profits the last few years. First-class mail is declining, but not nearly as fast as was predicted when the internet age first began. Meanwhile business from parcels is rapidly growing, and bulk business mail is exploding. The new postal reform bill passed by Congress guarantees stability to postal finances, continuing the P.O.'s monopoly in first-class letter mail and guaranteeing postage rate increases to keep up with inflation. Given this situation, the APWU contract definitely *could* have been better. And it *should* have been better to make up for concessions APWU has made in previous contracts — the increased premiums for health care, the cut in shift differential pay, etc. But instead of trying to make up

for past losses, APWU leaders negotiated *another* increase in health care premiums!

Postal clerks should tell APWU to go back and try again. Vote "no" on the tentative contract and get organized for struggle.

Wage settlement: cheap, cheap, cheap

The tentative contract will give just two raises in four years, one of 1.3% and another of 1.2%. That's a grand total of 2.5% in four years. Big wow. This at a time when workers are faced with soaring gasoline prices, rising prices for cars and insurance, and increased payments for health care and education. The contract continues COLA payments, which is good, but COLA does not completely cover rising costs of living. COLA plus the small raises might just about cover the rising cost of living, but that's all.

The contract also includes a raise in pay grade for all clerks, but this is a very small token of appreciation for the big jumps in productivity of the last few years. This raise will only be about 2% for most workers, while productivity has been jumping three and four times that much every year. Of course management attributes the productivity increases to "intelligent management", but postal clerks know better. As the work force dwindles through attrition, clerks are forced to do a combination of jobs, working more intensely than ever before. New automated machines sort the mail faster, but none of this could happen without clerks toiling like stevedores loading, extracting and dispatching the mail. Postal management loves the bonuses they get from increased productivity, but they don't want to give decent raises to the workers who actually get the mail out.

Health care concessions

Then consider the concessions on health care premiums. Every year for the next four years the P.O. will cut back 1% of the contribution it makes to cover health care insurance. That's for postal clerks with every health insurance plan *except* APWU's own "consumer driven" plan; for this plan the P.O. will cover 95% of the premium cost. So what's going on? Management and the union are colluding to channel workers into APWU's ultra-cheap health care plan. APWU gets more insurance business while postal management gets workers into a cheap plan with low premium payments. And what do the

workers get? Increased premiums if they have any other plan. And if they have the APWU "consumer driven" plan, they get high co-pays, deductibles, and major inconvenience.

Notice that this increase in workers' premium payments will come on top of the large yearly increases in premium costs charged by the health plans themselves. This means four years from now workers may well pay hundreds of dollars or more per year for health care premiums. These yearly premium increases should be paid for by management, but instead the APWU leadership has agreed to let the P.O. cut its share of health care premiums.

Job insecurity

Postal clerks are facing growing insecurity on the job. As automation takes hold, more and more jobs are being abolished. Clerks with regular bid jobs are reclassified as "unassigned regulars" with no job seniority, with changed shifts and days off. Workers with decades of seniority are being excessed, required to take physically demanding jobs or forced into early retirement. Limited-duty and light-duty workers are being harassed out of employment. Facilities are closing as management consolidates operations into larger sorting facilities. The work force is declining through attrition, and management is doing all it can to avoid hiring new career employees. All of this adds up to overwork, exhaustion, increased injuries and constant insecurity.

What does the tentative contract say about all this? In a word, nothing. No limits are put on consolidation of facilities, no guarantees of employment levels are established for facilities or crafts. By its silence the contract gives management the go-ahead to continue its fierce productivity campaign complete with abolishing jobs, excessing, and overwork.

PTFs

The only "plus" that APWU leaders can point to is the elimination, a year from now, of the PTF category at large facilities. PTFs at these facilities are supposed to be converted to regular and thus will gain some security. In the old days this would have meant they could become established in a regular bid job. But this no longer means much when bid jobs are being abolished right and left.

Worse, the "PTF" category is retained in the tentative contract for smaller facilities, where huge numbers of clerks

work. Present PTF's at smaller workplaces are not converted to regular. And any workers hired in the future for work at the smaller facilities will be classified as PTFs, and the same old problems of conversion will be repeated in the future. Any reduction in the PTF category is a good thing, but the APWU leaders are overselling this when they call it a "breakthrough".

Increased use of casuals (NTEs)

Then, in a provision that further undermines the regular work force, APWU leaders agreed to an *increase* in the number of casuals (NTEs). The tentative contract allows the number of casuals to go up from 5.9% to 6% of the national work force, and allows it to be 11% at particular facilities. And casuals will now be hired on a 360-day term instead of a 90-day term. This means more work will be taken over by temporary, low-wage workers with no rights and no union representation. You can be sure management will use this opening to try and cram as many part-time, temporary employees into the P.O. as they can to cut back the organized work force, to override job descriptions and limitations on overwork. Overall it's hard to see any pluses on job security in this tentative contract.

Prepare for struggle!

Why should we have to put up with a cheap contract like this at a time when the P.O. is rolling in dough? Postal management is going ahead with their plans for automation and consolidation, eliminating jobs right and left and reducing the work force through attrition. What do we get out of it? More work and reduced benefits. It's not right. And like previous contracts, this one also prohibits our right to strike, which is the best guarantee we have of gaining significant improvements in wages and working conditions.

Postal workers should take this opportunity to discuss among themselves the need for significant improvements in wages and benefits. We need organized discussion to focus the issues and develop opposition to another cheap lousy contract. The APWU officials are afraid to mobilize us, so it is up to us, the rank and file, to mobilize ourselves. Let's rally our coworkers to vote "No" on the contract. But even if the contract passes, we won't have wasted our time. Each time the rank and file begins to organize itself, we are putting ourselves in a better position to fight future struggles. □

The coming of the environmental crisis, the failure of the free market, and the fear of a carbon dictatorship

by Joseph Green

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Recently there has been an outpouring of books, magazine articles, and films about global warming. Many of these are serious works which give a good picture of the dangers facing the world. Some are written by scientists who, until recently, were skeptical of the greenhouse issue, but who have been convinced by the accumulating mass of scientific evidence and the already evident changes in world climate. A sense of urgency is apparent in this literature, the most dramatic example being that Jim Hansen, the chief climate scientist at NASA, has written that something serious has to be accomplished in reducing greenhouse emissions in the next ten years or else it will be too late to

stop major consequences. In this regard, it is notable that the respected naturalist Tim Flannery, in his recent book *The Weather Makers: How Man Is Changing the Climate and What It Means for Life on Earth*, worries that if steps aren’t taken soon enough, humanity will face centuries of harsh natural conditions, and will have to submit to a “carbon dictatorship” in order to radically reduce emissions of carbon dioxide and other greenhouse gases.

There is a notable contrast, however, between the urgency of the warnings, and the timidity of the solutions that are being proposed. The works from mainstream scientists and political figures leave something out. There is something they don’t tell us. And this is the extent to which the environmental crisis represents the abject failure of neo-liberalism and free-market fundamentalism. They close their eyes to the extent to which direct regulation of production will be required to deal with the global warming and other environmental issues; instead they mainly hope that carbon taxes, the development of a market in carbon-emission certificates, and subsidies to corporations to behave better will solve the problem. They may blame special interests, oil companies, or even the Bush administration, for blocking efforts to deal with global warming. But they don’t take their own words seriously, because they have faith in the free-market, and in the political system that sustains it; and they don’t see that dealing with the environment will require serious inroads on the profits and privileges of the corporations.

The environmental crisis calls urgently for the direct regulation of production. What source of energy is used for manufacturing and transportation, whether a forest is cut down or preserved, whether the oceans are overfished, and whether raw materials are economized or wasted, can no longer be left to the whims of the capitalists and the bottom lines of their corporations. This, however, goes against the “invisible hand” of the free market, which cares nothing about long-run costs and benefits to humanity, but focuses only on short-run profits and the immediate expansion of capitalist wealth. Even if a few CEOs and pro-business politicians should care about the environment and write books and fund foundations to care for the environment, the “invisible hand” will ensure that this has little or no effect on the overall workings of a market economy. Economic decisions with a major affect on the environment must be made on the basis of the overall interests of the world’s population. So preserving a livable environment will require greater and greater violations of the free market, and it can only be carried out truly effectively in a socialist economy which eliminates the private ownership of the means of production. Thus no matter what environmentalists may imagine now, the struggle over the environment will eventually provide a powerful impetus for the socialist organization of the working masses.

But the environmental crisis is upon us now, while capitalism still exists. Major steps will have to be taken soon, while the present capitalist ruling classes are still in power. As the failure of carbon emission markets to solve the problem becomes evident, they may take steps to implement carbon taxes; and as the failure of carbon taxes becomes evident, they will have to move to some type of regulation of production. True, the capitalists will likely wait until their hands are forced by a series of spectacular environmental disasters, and by then the situation will be quite desperate. But the time is coming closer when the capitalists will have to abandon neo-liberal orthodoxy, and move towards a regulated capitalism.

But this will not mean that the capitalist governments will have become socialist. Neo-liberal market fundamentalism is not the only form of capitalism: capitalism has always oscillated back and forth between periods of greater and lesser regulation, and even now different capitalist countries have varying amounts of regulation and social programs. The planning that the capitalist governments introduce will be done by capitalist agencies, and indeed the world economy will be subject to imperialist agencies and the strongest imperialist powers. Capitalist planning will seek to have the masses pay for the continued profits of the corporations in the name of planning, just as now it makes the masses pay in the name of the free-market. It will be up to the masses to fight to ensure that not only does the planning truly address the environmental problems, but that the well-being of the masses is protected.

So workers and environmental activists must not only press for government action to deal with the environmental crisis, but for recognition that this crisis has been brought about by the free market, and that the solution requires the direct regulation of production. They must expose the inadequacy of all solutions that shrink from transgressing against the private property rights of the corporations and the rich. They should not be satisfied simply with the emergency government planning that the capitalists will eventually be forced to introduce, and must instead bring to the fore that there are different types of planning — planning that puts the overall interests of humanity and of its working class majority to the fore, and planning that preserves the privileged positions of the corporations and the rich as its first principle. This is important not only in the interest of the welfare of the masses, but also if the environmental crisis is to be properly dealt with. It is impossible to have a planet that is half starved, and half environmentally clean, a planet filled with urban slums on its surface but with pure, pristine forests, oceans, and atmosphere. Only when their efforts to save the environment also ensure their own welfare can the masses be fully mobilized behind environmental planning. And only with the participation of the working masses can the huge tasks required to save the environment be successfully accomplished, and only their participation will provide the oversight over the economy that will ensure that environmental planning is really carried out.

The environmental crisis is upon us

The environment crisis is no longer a future prospect: every

day brings news of new problems and dangers. Some irreversible damage has already been done, from the vastly accelerated rate at which various species are going extinct to the already evident warming of the globe.

No doubt the world has always seen many natural disasters, tidal waves, hurricanes, and strange climatic developments. They are an organic part of normal weather. But global warming has reached the point where it is modifying normal weather. One may not be able to say that precisely this or that flood or drought or year of record-breaking heat is due to global warming, any more than one can say precisely which lung cancer cases are due to smoking, but there is no longer any doubt that global warming is causing havoc, as there is no doubt that the majority of lung cancers are due to tobacco. It threatens to raise sea levels, melt the glaciers upon which many countries depend for their water supply, make ocean waters more acidic, and otherwise threaten human existence.

For some time, an increasing weight of scientific opinion has held that global warming was occurring, and that man-made emissions into the atmosphere of carbon dioxide and other greenhouse gases were the main force behind it. Advances in climate science as well as the evidence of what's been happening in recent years has eliminated most doubt about this. Pro-business politicians, apologists for the energy capitalists, and some eccentric academics may still cast doubt on global warming, but there is little scientific basis left for their stand. As was stated a few months ago in *Scientific American*:

"The debate on global warming is over. Present levels of carbon dioxide—nearly 400 parts per million (ppm) in the earth's atmosphere—are higher than they have been at any time in the past 650,000 years and could easily surpass 500 ppm by the year 2050 without radical intervention.

"The earth requires greenhouse gases . . . But too much of a good thing . . . is causing a steady uptick in the thermometer. Almost all of the 20 hottest years on record have occurred since the 1980s."¹

It's not that climate scientists can predict everything that will happen as greenhouse gases continue to flood the atmosphere. Some unexpected developments are bound to occur. It's conceivable, as some people have suggested, that some of them may turn out to be helpful. But so far, what has actually happened is that unexpected developments have generally turned out to be worse than expected. For example, the polar regions are heating up faster than elsewhere on the globe; Arctic and Antarctic ice is melting faster than expected; the large Larsen B ice shelf on the fringe of Antarctica broke up unexpectedly in 2002; and the glaciers on Greenland are showing signs of weakening. But a break up either of the ice sheet over Antarctica itself, or of that over Greenland, would cause a catastrophic rise in ocean levels.

Moreover, the global warming of today reflects the greenhouse gas emissions of past decades: the emissions of today will not have their full effect on increasing global carbon dioxide levels and heating the climate for decades or more. This is called

¹Gary Stix, "A Climate Repair Manual", *Scientific American*, September 2006, Special Issue "Energy's Future: Beyond Carbon", p. 46.

“environmental inertia”. Even if greenhouse gas emissions were brought under control immediately, we would still be facing serious climate changes. But so far, these emissions are still rising.

A number of the recent books and articles give a good picture of the danger confronting us. Even the politician Al Gore succeeded in giving a reasonable presentation of the overall danger in his book *An Inconvenient Truth*. For example, he brings out graphically that a rise in sea levels will force a redrawing of the maps of the world and force the mass migration of tens of millions of people. And Tim Flannery goes into more scientific detail in his book *The Weather Makers*. These and other works contain a good deal of useful information. I shall not try to duplicate the information in these works, important as it is, but will instead concentrate on the issues they do not deal with, the class issues associated with the environmental crisis, and especially the need for direct economic planning.

New Orleans, a sign of things to come

Despite the flood of information about global warming, the American bourgeoisie largely shrugs off the danger. Although the US is the largest producer of greenhouse gases in the world, producing about 40% of the world total, the bourgeoisie feels no sense of responsibility to anything but the pursuit of profit. Even the devastation last year of a major American city, New Orleans, left it largely unmoved.

At first the federal government sat on its hands as New Orleans was hit by hurricane Katrina. The main concern of the Bush administration seemed to be to stop other people from giving aid: FEMA put obstacles in the way of people and other government units bringing aid to New Orleans, and it delayed the aid offered by the Canadian government. There was no concern for the masses of poor, mainly black, people who were trapped inside New Orleans. They were slandered on the TV as looters and criminals. They were forbidden access to supplies existing in New Orleans: the various levels of government were more concerned to protect private property rights over ruined supplies and equipment than to relieve mass distress. Military rule was exercised over the masses in New Orleans, while little attention was paid to their needs.

When the federal government finally took the devastation of New Orleans seriously, it gave huge subsidies to corporations, and it tried to suspend wage guarantees for workers. This was bourgeois emergency planing at its most blatant: ignore the problem, and then use it as an excuse to give extra-large profits to the bourgeoisie. It was particularly blatant in New Orleans, as lack of concern for the plight of the poor combined with racist prejudice against the black masses.

Nor have the federal and local governments taken sufficiently seriously the problem of the future viability of New Orleans. The repairs being made aren't sufficient to protect New Orleans against another Katrina-strength storm, especially given that a good deal of the wetlands that protected New Orleans were destroyed by Katrina. Yet New Orleans has already been declared open for business. And since the 2006 storm season passed without a single hurricane hitting land in the US, no doubt it is thought that everything is back to normal.

The bourgeoisie has shrugged off the warning of hurricane

Katrina. Now, it may be argued that the flooding of New Orleans might not have been a result of global warming. Even aside from global warming, previous neglect of the levees, neo-liberal complacency about infrastructure, and the destruction of wetlands through unrestrained development made New Orleans vulnerable to storms. But the fact that environmental factors other than global warming might have been the main cause for the devastation of New Orleans is, however, hardly cause for complacency. Far from being a reason to rejoice it shows that, even aside from further climate change, serious environmental issues are threatening the country in general, and coastal areas in particular. This makes the environmental crisis more serious, rather than less.

But in fact it is likely that global warming has contributed to the strength of hurricanes, and will increasingly do so in the future. Whether the flooding of New Orleans was due to global warming, the flooding of future cities will be. Global warming is contributing to the rise of sea levels, and may cause catastrophic rises in sea level in the future. This will put many cities around the world and in the US in danger.

The government response to Katrina is a warning about how the bourgeoisie will treat future environmental catastrophes. The different levels of government were complacent, and then acted oppressively to the working masses. They held back efforts of people, whether outside New Orleans or in non-flooded areas of the city, to help out. This shows that even in an emergency, the capitalist governments act in the interests of, and according to the prejudices of, the bourgeoisie. It isn't sufficient that capitalist governments start to act on a problem: it is necessary for the masses to press for attention to their needs and those of the environment.

Failure of the free-market

The environmental crisis represents the most gigantic failure of the free market. In capitalist mythology, the free market is supposed to ensure that, while everyone strives for their own benefit, the overall interest is served. Instead, the rapid development of capitalism since World War II, both under regulated capitalism and then world neo-liberal market fundamentalism, has resulted in an increasingly rapid devastation of the environment.

The apologists of the free market explain away every problem by saying that the people are only getting what they want. But not only do the companies destroy the environment, but they devote millions upon millions of dollars to public relations and to hiding the truth about the environment. The free-market has not only raped the environment, but the corporations have systematically lied about it, punished employees who admit the truth, filed legal harassment suits against activists, and so on. The large oil and energy companies have financed groups to either deny global warming or even to boast about it as a wonderful new era of the “greening” of the world.

In a rational world, one might expect those workplaces and enterprises directly involved in energy and other activities affecting the environment would monitor the effects on the environment. They make billions of dollars in profit, year after year, and in free-market mythology they are supposed to reinvest this in some useful manner. They are the ones with the money to develop new technologies and reinvest. But under capitalism, they

are the ones who care the least.

Al Gore admits there is a problem, and writes that

"The truth about global warming is especially inconvenient and unwelcome to some powerful people and companies making enormous sums of money from activities they know full well will have to change dramatically in order to ensure the planet's livability." And he goes on to say that "The truth about the climate crisis is an inconvenient one that means we are going to have to change the way we live our lives."²

But Gore himself is not willing to consider changing the economic system that has given rise to this problem, or even challenging the dogmas of the present neo-liberalism; he averts his eyes from the general failure of the market system. Instead he insists, against the evidence of the mounting crisis, that we should be "using market capitalism as an ally."³ That means the government acts, but it does so in a way to subsidize the corporations, or even to create new markets in pollution-certificates. This plan hasn't worked—that's why there's still an environmental crisis.

The Montreal Protocol and the protection of the ozone layer

The one success story of international agreement to save the environment that Al Gore, Jim Hansen, Tim Flannery, and other establishment environmentalists can promote is the restriction of chlorofluorocarbons (CFCs). But was this really an example of "using market forces as an ally"? Let's take a closer look.

CFCs were originally promoted as miracle chemicals that make refrigeration much safer; they also are useful as fire suppressers and aerosol propellants. But it turned out that, as they get released into the atmosphere from aerosols, from leaky cooling systems, or as old equipment is junked, they rise up in the atmosphere and destroy the ozone layer. Ozone in excess quantities near the ground is a real nuisance, as people who have lived in Los Angeles or other smoggy cities can testify. But ozone in its proper place in the atmosphere is essential to shield living things from ultraviolet rays and generally keep things in balance.

Thus the rapid spread of CFCs into the atmosphere was a real danger. The US and other capitalist governments (there are only capitalist governments in the world today) got together in an international agreement to curb and eventually stop the production of CFCs. This was the Montreal Protocol on Substances That Deplete the Ozone Layer, and Al Gore has a chart in his book of how much CFC production has been cut back. Meanwhile Jim Hansen writes that:

"... The first human-made atmospheric crisis emerged in 1974, when the chemists Sherry Rowland and Mario Molina reported the chlorofluorocarbons (CFCs) might destroy the stratospheric ozone layer that protects animal and plant

life from the sun's harmful ultraviolet rays. How narrowly we escaped disaster was not realized until years later. . . . When the use of CFCs for refrigeration began to increase, and a voluntary phaseout of CFCs for that purpose proved ineffective, the US and European governments took the lead in negotiating the Montreal Protocol to control the production of CFCs. Developing countries were allowed to increase the use of CFCs for a decade and they were given financial assistance to construct alternative chemical plants. The result is that the use of CFCs is now decreasing, the ozone layer was damaged but not destroyed, and it will soon be recovering."⁴

However, there are a few things they leave out of the story. The main thing is that the Montreal Protocol is not an example of successful market methods, but of government regulation. The heart of the Protocol consists of agreement concerning how fast to phase out CFCs and other ozone-destroying chemicals. Individual governments covered by these phase-outs have to enact their own regulations to ensure that this takes place. As well, the Protocol created a Multilateral Fund to help poorer governments replace CFCs and other dangerous chemicals. As the Fund apparently directly subsidizes projects that cut back on these chemicals, it involves planning rather leaving it to the market to decide what steps should be taken.

True, a number of loopholes in the Protocol's regulations allow room for market forces. And the planning was capitalist planning, in which the US government and others championed the interest of their own chemical industries. But these things were not the source of strength of the Protocol, but weakened it. This appeared, for example, in the question of what to replace CFCs with. This was decided in accordance with what the chemical companies that produced CFCs claimed was possible. So the Protocol allowed the replacement of CFCs with HCFCs (hydrochlorofluorocarbons), which, however, also harm the ozone layer, although apparently far less than do CFCs. HCFCs are supposed to be used as a transition to the eventual use of HFCs (hydrofluorocarbons). Thus a two-step process was put into effect, with the use of CFCs to be replaced first by HCFCs, and then HFCs.

But it turns out that both HCFCs and HFCs are potent greenhouse gases. True, the amount of HCFCs and HFCs put into the atmosphere is very small relative to carbon dioxide emissions. But, unfortunately, a single molecule of an HCFC or an HFC may do as much damage as thousands of molecules of carbon dioxide. So they do pose some danger. Indeed, HFCs are among the greenhouse gases condemned by the Kyoto agreement.

Yet alternatives existed quite early for many uses of HCFCs and HFCs. For example, a major use of CFCs had been in refrigerators. But, thanks mainly to the efforts of the environmental activists of Greenpeace, "Greenfreeze" refrigerators were introduced in 1993 that don't use CFCs, HCFCs, or HFCs and don't have the drawbacks of earlier non-CFC refrigerators. Although they are still not used in the US, their use has gradually spread in a number of countries. By now, despite the foot-

²"The Politicization of Global Warming", in *An Inconvenient Truth*, pp. 284, 287.

³*Ibid.*, p. 270.

⁴Jim Hansen, "The Threat to the Planet", *New York Review of Books*, July 13, 2006, p. 14, cols. 3-4.

dragging of the chemical companies, HCFCs and HFCs can, for most uses, be replaced by chemicals that do little harm to the atmosphere.

But as it is, HCFCs aren't to be completely banned until 2030. This slow pace of elimination has more to do with allowing the chemical companies to profit off their investments in HCFC plants — the companies say they need to operate these plants for so many years in order to get a proper return on investment — than with the lack of ability to find replacements. This will slow down the recovery of the ozone layer. Meanwhile the Montreal Protocol in effect bequeathed the problem of HFCs to the Kyoto Protocol.

Such problems with the Montreal Protocol have to do with the way it was administered and implemented. Except insofar as environmental activist groups protested against HCFCs and other problems, the masses of people were kept out of the planning process. Meanwhile the World Bank, a major enemy of environmental reform, was brought in as one of the major agencies for distributing the Multilateral Fund. Through it all, the UN issued saccharine reports about how wonderful things were going, while concealing the concessions to the chemical companies.

If, despite all this, the Montreal Protocol seems to have averted the immediate danger to the ozone layer, it is because this could be done with relatively small changes. Only the substitution of certain chemicals was needed; only a handful of big corporations were affected; and the overall economy could proceed without change. In this situation, the bourgeois governments agreed to directly regulate the production and consumption of the main ozone-destroying substances despite the obstruction of certain bourgeois interests, who were essentially bought off. But, it can be asked, will it be so easy to get the bourgeoisie to agree to regulation of production when it covers, not just a few chemicals, but the entire range of energy generation and even additional matters?

The Kyoto Protocol and the fiasco of carbon trading

So far, the answer is no. Spearheaded by the US bourgeoisie, the world bourgeoisie is seeking to use neo-liberal market methods to deal with the environment. The free market and unrestrained property rights are more important to the bourgeoisie than preventing the devastation of the environment and all the disasters that Al Gore portrays. Indeed, "using market forces as an ally" is more precious to Al Gore himself than the protecting the environment.

The result is the fiasco of the Kyoto Protocol. The problem isn't just that the US, the main greenhouse gas emitter, failed to sign on to the Protocol. Bad as this is, there is worse. That's the failure of the Kyoto Protocol to ensure reductions in greenhouse gases in most of the countries that have signed on to it.

The Kyoto Protocol of 1997 was supposed to make a start on doing for global warming what the Montreal Protocol did for the ozone layer. It only calls for small cuts in greenhouse gas emissions from 1990 levels to be achieved by 2008-12, but this would mark a break in the escalating emissions that have been occurring year by year. However, its fatal flaw was that it abandoned the direct regulation used by the Montreal Protocol

and instead sought to apply market methods. The Kyoto Protocol did set targets for the amount of greenhouse emissions that various countries would be allowed. But the main method for achieving this reduction was to be carbon trading.

This was a neo-liberal approach to the greenhouse crisis. With regulation, the government would act by regulating electrical generation and other major sources of greenhouse gases, and forcing the use of cleaner technologies, alternative sources of power, and conservation. The government could also seek to accelerate research and development of new technologies. But under carbon trading, the government instead seeks to create a market in pollution permits. Companies are allowed to decide whether to actually stop putting out greenhouse gases, or buy a certificate to allow them to continue polluting.

The neo-liberal economists claim that direct regulation of production to reduce greenhouse gas emissions is inefficient, because it would be hard for the regulators to know how difficult it is to achieve reductions in each particular case. Thus some companies might be forced to make difficult cutbacks, while others might be able to reach regulatory goals with little effort or expense. Wouldn't it be better, they say, to first do all the easy reductions, no matter which company they are located at, and then the more difficult ones? This, they claim, would result in eliminating the maximum amount of greenhouse gas emissions at the least cost. They believe this could be achieved by using market forces.

But unfortunately, it's market forces that have resulted in massive pollution even from easily-eliminated sources of pollution. So something has to be changed if market forces are suddenly going to start eliminating pollution. So the neo-liberal economists propose that the government artificially create new market forces by issuing pollution permits that grant the right to create a certain amount of pollution. The neo-liberals have a complicated scheme to create a market in pollution by allowing companies to buy and sell these pollution permits. This market will supposedly redirect market forces into a force for environmental cleanup.

Now, how does this artificial market work? Companies aren't going to be forced to pay for all the greenhouse gases that they create. That would be a tax on pollution, which is something else. Instead, under carbon trading, all the polluters are given rights to a certain amount of carbon dioxide emissions based on how much they have been polluting in the past. (Other greenhouse gases would be measured in terms of carbon dioxide equivalents — hence the permits are called carbon permits.) The companies would receive their allocation of carbon permits from the government free. But if a company wanted or needed to emit more greenhouse gas than allowed by its permits, it would have to buy additional carbon permits — not from the government, but from other firms. If it didn't need all its carbon permits, whether because it had replaced polluting equipment with new, environmentally-friendly processes, or because it simply wasn't producing as much because of a business slowdown, it didn't have to give its permits back to the government; instead, it was expected to sell its excess permits to other firms. Hence there would be a market in carbon permits. Market forces would then determine the price of the permits. The idea is that if a firm could reduce its greenhouse emissions for less than the price of a permit, it would do so in order to make money selling carbon permits that it no longer

would have to use itself. If it couldn't replace its greenhouse gas except by spending more money than permits would cost, it would buy carbon permits.

The plan is that carbon permits aren't supposed to cover all the greenhouse gas emissions of an industry, since if all the emissions were permitted, there would be no pressure at all to cut back on them. Instead, the intention is that a certain fraction of the emissions are left uncovered by the permits. And, as mentioned above, those companies who find that they don't have enough permits to cover their emissions are then given the choice to either eliminate the uncovered emissions, or to buy excess permits from other companies to cover these emissions. Thus the total amount of greenhouse gas emissions from industry isn't supposed to exceed the amount allowed by the permits granted by the government, but the companies are allowed to trade the permits among themselves and thus rearrange which companies are allowed to continue high emissions and which companies will cut back on emissions.

Then the amount of carbon permits is supposed to be cut back gradually year after year. Thus, greenhouse gas emissions are supposed to go down. And, in establishment economic theory, the market itself would determine how this is to be accomplished, on which companies decide to cut back on greenhouse gases, and on how they choose to do so. Regulators wouldn't have to do this. The government would supposedly be taken out of the picture. And, so the theory goes, instead of dread inflexible regulation, one would supposedly have a dynamic system where the market ensured the maximum amount of reduction of greenhouse gas for the least cost.

The first problem that arises is that carbon trading actually requires more government calculation than a system of direct regulation of production. The government must do all the calculations that regulation would require, such as figuring out the degree to which replacement of polluting sources was possible. It needs to know this in order to know how many carbon permits to issue. Then it must do still more calculation. For example, it must know the exact amount of greenhouse gas emission that takes place at each source of pollution, because this determines whether a particular company has excess pollution that must be covered by permits, or has spare carbon permits that it can sell to others. Naturally a company can't simply be allowed to declare how much greenhouse gas it emitted — there must be a way of measuring this, and of keeping the companies honest. And it isn't sufficient that a company replaced old equipment with efficient new equipment; there has to be an exact measure of how good the new equipment is.

The neo-liberal economists, the same ones who say that government regulation is blundering and inefficient and inflexible, suddenly don't see any problem in the government carrying out all these calculations if it is necessary to create artificial carbon markets. Government calculations are righteously denounced if they are used to directly force reductions in greenhouse gas emission, but are tacitly approved if they are for the purpose of creating markets in pollution. Nor do the neo-liberal economists note that, in practice, corporate influence on the process of giving out the carbon permits creates abundant opportunities for corruption, especially as this process is done behind closed doors.

Nevertheless, the Kyoto Protocol was to work through these

carbon markets. Indeed, it wasn't just that firms could buy and sell greenhouse permits from other firms. As well, instead of buying pollution permits, a firm could use carbon "offsets" — that is, it could invest in projects that eliminate greenhouse gas emissions that would otherwise take place, such as a project to replace old technology with newer, cleaner technology, or projects that are supposed to absorb carbon, such as the replanting of a forest. In particular, countries that had carbon reduction quotas under Kyoto could offset some of their greenhouse gas emissions against UN-approved projects which they financed in those developing countries which were exempted from carbon reduction quotas under Kyoto. Of course, under this system, there had to be an exact calculation of how much greenhouse gas emission would be saved by the offsetting projects, and this had to be known in advance. Otherwise the polluters would be offsetting their greenhouse emissions against phantom savings to the environment. Indeed, it's not just a matter of calculating how much carbon dioxide is emitted by a project, or absorbed by a forest, but how much would have been if there hadn't been a project. In practice, such speculative calculations are carried out by people who are nameless and faceless with respect to the general public; they are private consultants to the very companies who are using the offsets as well as various officials from the UN and the national governments.

This complicated system does indeed turn pollution into a commodity. And buying and selling of carbon permits is flourishing under the Kyoto Protocol. But in practice it doesn't work to minimize pollution; instead it creates many ways for companies to avoid reducing greenhouse gas emissions. It slows down the process of environmental reform. Yes, it unleashes market forces, but these forces don't aim at a reduction of pollution, but at making profits. It turns out that it isn't so easy to cure the failures of the free market and force the "invisible hand" to change its nature.

For one thing, the system may well encourage some firms to hold back on any major elimination of greenhouse emissions in order to preserve their carbon permits for future speculation. Remember that a firm which emits a large amount of greenhouse gas will receive a carbon permit covering most of these emissions. But it will continue to receive these permits only so long as these polluting processes continue. True, the firm may also have to buy a small amount of additional carbon permits to cover all the pollution caused by its operations, but this might not cost much in years where the price of carbon permits is low or when economic slowdowns cut down the amount of greenhouse gas emission anyway. It will then be profitable to maintain the polluting process until the price of carbon permits goes up sharply, because then, in the year where the company closes down the process altogether, it can make a gigantic profit by selling all its spare carbon permits.

This type of speculation may be especially profitable in the case where the firm can pass on the cost of its carbon permits to its customers, as power companies are sometimes able to do. Thus such companies lose nothing when they have to buy carbon permits, because their customers may be the ones who pay, but they may make a tremendous profit when they sell carbon permits, and — government regulation permitting — they will retain this profit for themselves rather than passing it on to their customers.

Similarly, carbon trading may give an incentive to slow down on research. It will not generally be advantageous for an industry

to admit rapid progress in devising ways to replace polluting processes. The more progress it admits to, the more likely it will lose its pollution permits. The more an industry neglects to do work to replace polluting processes, the more it will be able to petition the government for special exemptions on the plea that it has no alternative to continuing pollution.

And it is not just carbon permits, but carbon offsets that are subject to abuse. They encourage companies to devise cheap activities that appear to help the environment and to make optimistic estimates about the value of these activities. Thus carbon offsets can end up encouraging the worst forms of monoculture forestry, as firms can get credits by financing the planting of trees in poorer countries. The firms don't really care about the forest, only about the carbon offsets, and this isn't conducive to paying any attention to what the local environment really needs. Thus the flood of money seeking carbon offsets can distort the development of poorer countries, and result in some dubious projects.

Moreover carbon offsets can give rise to some very smug hypocrisy. Al Gore, for example, claims that his book *An Inconvenient Truth* is "the first book produced to offset 100% of the CO₂ emissions generated from productive activities with renewable energy. By supporting a Native American wind farm and a new family farm methane project through NativeEnergy, this publication is carbon neutral."⁵ Actually, *An Inconvenient Truth* is produced with the glossiest paper, the most beautiful inks, and the maximum of graphics. It probably has a much higher ratio of carbon emission per word than, say, many plainer paperbacks. This isn't blameworthy in itself, since global warming isn't going to be stopped by banning books, and producing a book on the environment in an eye-catching way is a laudable activity. But it is hypocrisy to pretend that the book is carbon neutral in any real sense. It distracts attention from the need to find ways to minimize the environmental impact of the production, distribution, and storage of books, magazines, and newspapers. It may be very fine that Gore is contributing to a wind farm and a methane project, but that is a separate activity from producing or distributing his book. Otherwise one would be left with a world where the rich lecture the poor, as Gore does, that they have to change every aspect of their lives in order to save the environment, while the rich and the corporations merely have to donate some money to carbon offsets.

A lengthy report that goes into much more detail and documents the way carbon trading and carbon offsets work in practice appeared several months ago. This is *Carbon Trading: a critical conversation on climate change, privatisation and power*.⁶ It provides a picture of how market forces act, not in the imagination of free-market economists, but in the real world. It shows that pollution-trading schemes aren't more efficient than regulation, but tend to weaken and slow down efforts to protect the environment. And the results with respect to carbon trading have been especially tragic.

⁵See the back flyleaf of the book.

⁶Issue #48, September 2006, of the journal *Development Dialogue* of the Dag Hammarskjöld Foundation. It is available for free download in PDF form at www.dhf.uu.se/publications.html.

The failed balance-sheet of the Kyoto Protocol

The abuses with carbon trading aren't simply blemishes on an otherwise successful system. On the contrary, the experience of the Kyoto Protocol is that carbon trading hasn't worked. A recent BBC report points out that there is "a 2.4% total increase in emissions across 41 industrialized countries between 2000 and 2004". This would be a period in which carbon trading has been in full swing.⁷

This is a disaster. There was supposed to be, by 2012, a modest overall 5% decline in greenhouse gas emissions from their level of 1990. (Different countries were assigned different targets — some are even allowed increases, but less than what they were otherwise expected to achieve.) As of now, it looks like the goals of the Kyoto Protocol aren't going to be met.

True, the BBC report also says that, so far, there has been a 3.3% decline since 1990. This statistic may look good, but only provided one doesn't examine it too closely. First of all, as mentioned above, the downward trend of the 1990s hasn't lasted, as the statistics for 2000-2004 show.

But moreover, the decline of the 1990s seems to have occurred due to special circumstances having little to do with carbon trading. A large part was due to the devastation of industry in Russia and the countries of Eastern Europe following the collapse of the Soviet system; and now, as the economies recover from the crisis of the 1990s, emissions have begun to increase in these countries. The same factor seems to have accounted for a large part of the decline in Germany, with many coal-fired plants in the East being shut down after German reunification. And British reductions in greenhouse emissions are due in large part to a shift of electric generation from coal to natural gas.⁸ But for other countries, there's a different story: Spain, Portugal, Greece, Ireland, Finland, and Austria showed spectacular increases in greenhouse gas emissions. And Japan, with a target of a 6% decrease, presently has a 6% increase since 1990.⁹

So carbon markets haven't worked to reduce greenhouse gas. And, as we have seen, they have also failed to take the government out of the picture. On the contrary, the government is involved intimately with each step of carbon trading. It issues the carbon permits and creates the carbon market; it issues various exemptions for branches of industry that might otherwise fail, or that have sufficient influence to bribe their way out of the scheme; and it certifies the carbon offsets and their size. So the elimination of direct regulation doesn't remove the government from the picture; instead it guarantees the worst type of government

⁷BBC News, December 6, 2006, available on the internet.

⁸Shifting to natural gas is only a stopgap, as burning it produces abundant greenhouse gases, but it is better than coal. However, the main motivation of the Conservative Party government of those years for this switch was breaking the power of the National Union of Miners. The Thatcher and Major governments used privatization and switching from coal to gas, as well as strikebreaking.

⁹BBC News, October 30, 2006, and December 6, 2006; AFX News, November 18, 2005; John Bellamy Foster, *Ecology Against Capitalism*, p. 17; and Robert J. Samuelson, "Greenhouse hypocrisy", *Washington Post*, June 29, 2005. All of these reports, except Foster's book, are available on the internet.

planning, where the masses have no role and government officials serve mainly as servants of this or that private interest.

The carbon tax — another attempt at a market solution

Today both the Green Party and establishment figures such as Dr. Hansen advocate a carbon tax, that is, a tax on greenhouse gas emissions, including a tax on gasoline and other fossil fuels. This has the advantage of being a somewhat simpler and more straightforward proposal than carbon trading, and some limited form of carbon tax might play a subsidiary role in dealing with the environmental crisis. Indeed, taxes are often part of broader programs of direct government regulation of the economy, both to raise money for various programs and to discourage certain well-defined activities. But the carbon tax is being put forward as the main tool for solving the greenhouse problem; it is to be the alternative to direct regulation of production. It is supposedly a way in which the government can leave it to the market to determine how to reduce greenhouse emissions. The government will define the carbon-content of various products and processes and tax this content, and otherwise take a hands-off stand to what products and processes are used. It is thus a market method of approach. As such, it will be no more able than carbon trading to civilize the invisible hand of market forces.

The idea of the carbon tax is that it itself will suffice to spur people and companies to cut down on activities that involve greenhouse gas emissions, and lead them to find cheaper substitutes. But consider what happened a few months ago when gas prices rose precipitously. The price was high enough that it caused real misery to those workers who had to engage in long commutes to work. But did they then switch from cars to mass transit? No, because mass transit wasn't available. Well, did it then result in people quitting their jobs and finding ones closer to home? No, because this wasn't feasible either. High prices can't improve the situation when the people have no affordable environmentally-friendly alternatives to change to.

A major reduction of greenhouse emissions will require major projects, from changes in the infrastructure such as building public transit systems, to developing new technologies. This can't be done by individuals for themselves, no matter how much pain the carbon tax inflicts on them. In the past, major changes in the infrastructure have been done by government projects or with government investment. For example, the building of the transcontinental railroad, the national highway system, and the electrical power grid all involved government investment and/or regulation. Yet it is pretended that today market forces can accomplish the major changes in energy generation required to deal with greenhouse emissions.

Moreover, the pain inflicted by a carbon tax would hit primarily at poorer consumers. For example, some businesses may be able to pass on the full cost of the carbon tax to their consumers, just as they pass on energy costs today. These businesses will not have any special incentive to worry about the carbon content of their activities. True, even when the businesses aren't concerned about the carbon tax, their consumers will be motivated to buy more energy-efficient products, but this will result in market pressures only when such alternative products

exist. Thus, whatever the intention, the carbon tax will tend to fall on the masses. Indeed, if the history of carbon trading is any indication, businesses will seek exemptions or other ways to shield themselves from carbon taxes or even turn such taxes to their benefit. Of course, companies also seek to corrupt government bodies that directly regulate production. They do it all the time. But it is much harder to bring oversight and transparency into carbon trading and complicated tax codes than into the direct regulation of production.

All in all, companies will react to the carbon tax, but not necessarily in the way best for the environment. They will seek the solution most profitable for them. The result will be that the carbon tax isn't likely to do too much better than carbon trading.

And how severe would the pain of a carbon tax be? Would a carbon tax be as heavy as the recent gas price increases? Well, actually, it would probably have to be far heavier. There was a recent exchange about the size of the carbon tax between Jim Hansen and an environmentalist, Richard Rosen of the Tellus Institute. Rosen pointed out that "if gasoline is currently about \$3 per gallon, the price including Hansen's proposed carbon tax would have to be several times this level, at least, to have any significant impact on total energy consumption within a decade." To show this, he pointed out that "gasoline in Europe already costs almost \$6 per gallon, and Europe also uses far too much gasoline." He estimated that a carbon tax would have to be "vastly higher than the \$10-20 per ton of CO₂ that economists often discuss as appropriate today; perhaps \$100 per ton of CO₂ or more". Such a price would, he believed, "throw most national economies, particularly that of the US, into disarray." He didn't say this in order to advocate inaction, quite the contrary, but to show the need for direct government action "in the way of planning new energy efficiency programs and a vast new renewable energy infrastructure".¹⁰ The Tellus Institute opposes the view that "market forces" can provide a solution to the world's environmental problems.

In reply, Jim Hansen claimed that all that is needed is "a gradual but steadily increasing carbon tax" and "the certainty that the tax will continue to increase". In his view, it will be high eventually but there should be no sharp jumps. But he doesn't provide any estimate of how large such a tax would have to be, or how fast it would act. He simply reasons that, to avoid economic disruption, it should be gradual. Thus he tailors his scheme to what he regards as economically and politically feasible, and doesn't look closely at whether it will really suffice to solve the greenhouse problem. His support for the carbon tax is based on the view that "the government should leave the picking of winners to the marketplace", and thus there should be a tax, rather than direct regulation of production. This is the same blind faith in market forces that have resulted in the fiasco of carbon trading, and indeed Hansen also wants to have a "cap and trade" arrangement for carbon emissions trading between power plants.¹¹

Meanwhile Hansen and many advocates of a carbon tax

¹⁰"The Threat to the Planet: An Exchange", *New York Review of Books*, September 21, 2006, p. 94. By the way, Tim Flannery cites environmentalists who call for a tax of \$200 per ton of carbon dioxide in his book *The Weather Makers*, p. 169.

¹¹*Ibid.*

disavow one possible use of a carbon tax (or, presumably, any new tax), which would be to finance government programs to improve the environment and to help the working masses hurt by environmental problems. This would go against their free-market principles. Thus Hansen insisted that fuel taxes should have “rebates to taxpayers so that the government revenue from the tax does not increase.” So “the taxpayer can use his rebate to fill his gas-guzzler if he likes, but most people will eventually reduce their use of fuel in order to save money, and will spend the rebate on something else.”¹² So the tax is collected and then refunded, make sense of that those who can.

In this regard, the Green Party of Michigan believes itself to be fighting the corporations and wants programs to help the masses, but also accepts the big business propaganda line on big government and points out it is “not proposing a bigger overall role for government”. In order to keep the government from growing, it calls for “revenue neutrality” with respect to the various carbon taxes on fossil fuels and other tax changes it proposes (“neutrality” means that tax increases should be balanced by tax cuts and refunds so that the net amount of revenue available to the government remains the same). It admits that the carbon taxes will have a “regressive nature”, that is, that they will hit disproportionately at the masses, but unlike Jim Hansen it wants to “offset” this by “funding public transportation, weatherization, housing and education”. But the extent of these programs would presumably be limited by the need for “revenue neutrality”.¹³

There is no reason to assume that the carbon tax would do much better than carbon trading. The present advocates of a carbon tax don’t seem to have taken into account the experience of carbon trading, and many of them even want to combine carbon trading with the carbon tax.

The record of energy deregulation

Another example of market methods, energy deregulation, has also been a fiasco. It used to be normal for a state in the US to enforce its own energy plan. It would estimate how much electricity and other energy supplies would be needed in the future, and ensure that sufficient generating and transmission capacity would be available to meet this demand. Such planning would not go outside the bounds of capitalism, and the regulatory commissions would give the energy utilities high rates of return. There would be high charges to consumers while special deals would be given to large corporate consumers of electricity. But the regulation ensured that power would be available.

Then came the age of deregulation. Energy markets were deregulated in one state after another. The capitalist economists promised that market forces would provide cheap and abundant

power. This would supposedly eliminate inefficiencies and high prices as power companies would be forced to compete against each other. But in reality, the result was the California energy crisis, whereby energy was in short supply and prices skyrocketed.¹⁴ Deregulation created new markets in buying and selling electrical power; it brought exceptional profits to some energy capitalists; but it resulted in deterioration of the energy infrastructure.

But instead of reconsidering deregulation, most politicians and capitalist economists have been claiming that deregulation wasn’t sufficiently thorough: it supposedly didn’t allow the market forces sufficient freedom. And so, while the immediate crisis in California passed, the situation is still festering. In the last few years, as transitional caps on energy prices have ended, huge price increases for energy have been threatened in one region after another.

A comparison of Soviet planning to carbon trading and carbon taxes

Many advocates of market solutions cite the collapse of the Soviet Union and the difficulties that afflicted Soviet planning as evidence that direct regulation of production is inefficient, doesn’t work, and is bad for the environment. But the view that Soviet planning had nothing to do with individual profit-seeking and market forces reflects a Cold War stereotype of the Soviet Union. A study of the actual Soviet economy tells another story.

It is of course well-known that the Soviet economy was ruled by five-year plans. But under Stalin, the official policy was that market forces, if restricted and redirected by the directives of the Soviet ministries, and the prices set by these ministries, would orient factories to produce according to the demands of the five-year plans. Enterprises ran on the basis of *khozraschet*, which refers to business accounting and self-financing; the enterprises had their own financial balances and each was supposed to make a profit. Moreover, the managers — and to some extent, the workers — received rewards if their enterprise fulfilled the state plan. Each enterprise was supposed to be motivated to be efficient by the discipline of not only fulfilling the production plan given it by the ministries, but of earning a profit. Although in theory the enterprise managers had little power, in practice they had wide discretion in meeting various goals in the way they felt proper; it’s notable that even during the bloody purges of the mid-1930s some of them boasted in Soviet journals about how they flouted some of the directives that had been issued to them or even violated Soviet laws in order to meet their production quotas. They also developed ways of trading among themselves outside the plan. Thus in practice, although the Soviet ministries directed resources to major projects as they chose, the economy didn’t run as a single well-oiled machine. Instead, enterprises competed with each other, and so did ministries. A description of this can be found in the article “The anarchy of production under the veneer of Soviet revisionist planning” in the March 1997 issue of *Communist*

¹²“The Threat to the Planet”, *New York Review of Books*, July 13, 2006, p. 16, col. 3. In the *NYRB* of Sept. 21, 2006, he says something else: that the government should not end up collecting money, but that individuals and companies may end up paying more, or paying less, depending on their choices.

¹³“A Green Vision of Our Country’s Future”, the 2004 Platform Summary of the Green Party of Michigan, Sec. IVE. “True Cost Pricing and Tax Fairness”.

¹⁴ See “While similar energy crises loom across the country/Free-market’ energy deregulation brings disaster to California” by Mark Williams in the September 2001 issue of *Communist Voice*, available at www.comunistvoice.org/27cEnergyDisaster.html.

This system continued under Khrushchov and his successors. Indeed, one generation after another of Soviet economic reformers attempted to solve the ills of the Soviet economy with new schemes to unleash market forces; they insisted that the previous generation had run into problems because it hadn't sufficiently unleashed the profit incentive. More incentives, and more leeway in the search for profits, would be given to the enterprises, that is, to the enterprise management, and new ways of determining whether the enterprise had fulfilled the plan, and thus earned bonuses, would be devised. But each time private interest and market forces acted according to their nature, and the enterprises found ways to be profitable while violating the goals of the ministries. And again and again, when enterprises supposedly fulfilled their assigned output of goods, thus earning their bonuses, but produced the wrong goods or inferior goods, instead of looking into why this happened and changing the way the enterprises were run, the ministries readjusted the profit incentives.

Thus the ministries found that the enterprises, rather than becoming more and more efficient in fulfilling the state plan in order to make profits, would find ways that were profitable for them, but that harmed the Soviet economy. It wasn't as easy to tame market forces as Stalin, Khrushchov, and the new Soviet bourgeoisie thought. The Soviet economy grew rapidly for a time, but this growth went hand-in-hand with the development of internal problems and contradictions. Something similar happens in Western market economies, where recessions, crises, and the impoverishment of large sections of the population can accompany overall growth.

In the Soviet Union, rapid growth eventually gave way to increasing stagnation, and even to deterioration of parts of the economy. There is a large body of literature about how every time the ministries issued new indices to measure compliance with the plan, the enterprises found unexpected ways to thwart the ministry's intention. A typical story would run something like this: If a factory was judged on producing, say, a sufficient supply of nails, it used too many resources. If the ministry changed the indices to take account of supplies, the factory produced a lot of small nails. If the indices were changed to demand both a variety of nails and economy of resources, the factory would produce weak nails. But this wasn't because the factory director didn't know what type of nails was needed; it was because the factory director didn't care: all that was important to him was earning his bonus by fulfilling the ministry's indices. Meanwhile the ministry involved wouldn't directly intervene in the factory to change the system whereby it intentionally produced inferior products. The ministry and the factory management were both composed of the same class of officials. Any solution was supposed to preserve the interests of this class, so it could only involve changing and rechanging the indices.

The economy worked this way because the Bolshevik revolution had died out and been replaced by a system of state-capitalism that had consolidated in the 1930s. The economy was under the control of a new bourgeoisie, and the workers were

left in a passive position where their only role was to produce, not to supervise the enterprises individually or the economy as a whole. Thus workers weren't in a position to exercise mass control over how the factories operated; this would go against the whole logic, the class structure, of the system. Supervision was the job of the new bourgeoisie, such as the enterprise managers, and market forces were used to discipline the managers. But even those readers who don't agree with this assessment of the class structure of the Soviet economy will, if they examine any reasonably good history of the Soviet economy, find a description of the competition among Soviet enterprises, the motivation of managers by the desire for greater profit, and the constant attempts to redefine the production norms so that enterprises would be motivated by the spur of profit to do what the ministries wanted. The economists of different political trends who have studied the Soviet economy differ sharply among themselves as to why these things occurred and what their significance is, but the basic facts about the anarchy of production in the Soviet economy aren't too hard to find.

The difficulties that the Soviet ministries had in directing the enterprises resembles the attempt in Western capitalist countries to solve environmental problems through market forces. Market forces result in corporations producing and selling environmentally-harmful goods. Instead of directly regulating production and interfering with market forces, the neo-liberal economists insist that indirect methods should be used, such as creating a market in pollution-certificates or relying simply on taxes, so that properly-directed market forces will themselves lead to cleaning up the environment. For example, a market in pollution-certificates may be created. This may accomplish something, just as Soviet enterprises did carry out the instructions of the ministries to some extent. But it will also be found that corporations will evade the intent of the pollution-certificates just as Soviet enterprises evaded the intent of the ministries. The Soviet nail factory might produce only small nails, while an EU enterprise may invest in a dubious carbon offset in order to avoid making real reductions in greenhouse emissions. The Soviet enterprise sought to get its own representatives in the ministries in order to get the plan changed in its interests, and the Western enterprises lobby the bourgeois politicians and bribe or suborn officials in order to get exemptions from requirements, more carbon permits, or favorable estimates of how much greenhouse gas they are emitting.

The Western economists claim that trying to get market forces to solve environmental questions is the alternative to Soviet methods. But Stalinist state-capitalist economists also claimed that profit-seeking could be used to ensure compliance with their aims. In fact, neither the market capitalists nor the state-capitalists ever found the way to civilize market forces.

Democratic planning and the direct regulation of production

What the environmental crisis calls for is the conscious direction of the economy. This requires direct government regulation, but of a type different than the usual government action we are familiar with under capitalism. This regulation is going to have to be far more extensive than usual. It's going to have to take

¹⁵See www.comunistvoice.org/12cSovAnarchy.html.

account of mass interests, although for decades now neo-liberalism has sought to squeeze social programs to the hilt. If it's to succeed, it's going to have to involve mass participation and supervision. All of this is going to bring it into repeated conflict with privileged interests and capitalist ownership of the means of production, so it will be a constant struggle to achieve as much of this type of regulation of production as is possible. A certain amount must be achieved if the environmental crisis is to be dealt with. But the conflict between planning and private profit will continue until socialist revolution establishes a fundamentally new economic system.

Major changes throughout the economy

The Montreal Protocol to save the ozone layer only asked for relatively minor changes in the economy: the elimination of certain chemicals. This affects certain chemical companies and also requires technical changes in refrigeration, fire-extinguishers, and other equipment. But the overall environmental crisis will call for broad changes throughout the economy.

Thus stopping or mitigating the greenhouse effect will take a major change in how energy is generated. Jim Hansen says that business-as-usual will lead to a disastrous five degrees Fahrenheit increase in overall global temperature in this century, while restricting this increase to an "alternative scenario" of under two degrees will require that carbon dioxide "emissions level off this decade, slowly decline for a few decades, and by mid-century decrease rapidly, aided by new technologies."¹⁶ What does this mean for the US? Richard Rosen points out that "Al Gore's own chart, which he [Dr. Hansen] reproduces in his article, shows that the US uses about 5.5 times the world average of carbon per capita. Thus, if by 2050 or so, the world average carbon-emissions rate had to fall by 50 percent from current levels, which seems consistent with Dr. Hansen's alternative scenario, then if equity were to be imposed on the US on a per capita basis, the US would have to cut back carbon emissions by a factor of 11 (1/2 times 1/5.5). This is a 91 percent reduction! This level of reduction would truly revolutionize the US energy system, and the overall economy as well."¹⁷

This would involve changes in electrical generation, transportation of goods and people, and probably even in agriculture. Moreover, while other countries may not be faced with a 91% reduction under this scenario, they will still be faced with similar economic changes. Indeed, as China, India, and other countries have developed economically, they have taken up the mass use of automobiles and other methods similar to the US.

But even with this "alternative scenario", with its dramatic slashes in the production of greenhouse gases, global warming will cause substantial changes in climate. Dealing with this altered climate will itself require economic changes. There will likely be changes in agriculture, rebuilding of infrastructure to deal with differing weather patterns, protection of coastal areas from flooding, and so forth.

Moreover, global warming is only one of the environmental issues that will be coming to the fore in the coming century. Even if some relatively easy way should be discovered to forestall global warming, these other issues would remain. The destruction of wetlands and natural coastal areas by rampant development is reaching crisis proportions, and is one of the reasons for the extensive devastation caused by tsunamis; the exhaustion and/or pollution of aquifers is part of a developing problem of ensuring a sufficient amount of usable fresh water; world fish stocks have to be protected from total collapse; the disposal of garbage and industrial and agricultural waste is a growing problem; the destruction of forests threatens not just the greenhouse gas balance, but biodiversity; and a number of resources may become scarce.

Dealing with these problems will require major changes in one field after another of the economy. The prospect of such major transformations of the economy is not utopian. Such changes have occurred repeatedly in the past, as one can see by comparing the economy today to what it is was a hundred years ago, in the early 20th century, and also by comparing the early 20th century economy to the early 19th century economy. Such changes as electrification have involved the rapid replacement and modernization of large parts of the economy. So, in an earlier time, did the development of steam power. What will be different from the past is, among other things, that these changes must be done as consciously as possible, with concern to their overall consequences, in order to preserve the good of the environment. Such changes will also have to be more comprehensive than in the past, when such changes might take place in some parts of the economy, but not others, and certainly not in all countries of the world. Moreover the timing and pace of change will be forced by environmental necessity.

Material balances, not "true cost pricing"

Carrying out such changes will require comprehensive economic planning. And this requires having a picture of the entire economy. Not only will there have to be constant attention to the total amount of greenhouse gas emissions and other pollutants, but to the total production of each branch of the economy, and the overall needs of the population.

This will require going beyond financial planning. Instead there must be consideration of the material amounts of each product, resource, and pollutant of concern. The climate is affected by such and such physical amount of pollutants, not by dollar values. Moreover, it isn't even sufficient to keep track of the total physical amount of goods, there must also be consideration of their geographical distribution. There must also be regional planning of the land in order to ensure the proper amount of wetlands, the preservation of habitats for animals, the proper quality and not just size of forests, and so forth.

The Green Party calls for "true cost pricing", and so do many establishment environmentalists. It is an appealing phrase as it seems to say that one should look into everything involved in producing something, using it, and disposing of it. But taken literally, it simply means giving all this a price. It implies that market forces would take care of matters if only things had their proper prices, and it goes along with belief in carbon trading, carbon taxes, etc. Since, in practice, the market will not give

¹⁶"The Threat to the Planet", NYRB, July 13, 2006, p. 13, col. 1.

¹⁷"The Threat to the Planet: An Exchange", NYRB, Sept. 21, 2006, p. 94, col. 1.

things their “true cost price”, the idea is that government will somehow calculate the true price and force the market to adhere to it; with this correction, market forces will now supposedly work to protect the environment; and this will substitute for direct government regulation.

But in fact, it isn’t possible to give things a price that accurately reflects their environmental impact. What, for example, is the true price of a wetland? The significance of a particular patch of wetland is connected to what part it plays in the overall system of wetlands in that region. The way that patch of land is used in a region — as farmland, residential neighborhood, wetland, forest, industrial park, or otherwise — needs to be part of an integrated plan. To judge whether land should be a wetland or a farm based simply on a financial comparison of its true financial value as a wetland versus its true financial value as a farm, means tearing up the environmental plan, because it means deciding on the use of that particular wetland independently of what happens elsewhere in the region.

Nor can the environmental impact of a particular chemical simply be reduced to a price. Carbon trading, for example, reduces each chemical to its carbon equivalent. But ozone trading isn’t concerned with that; it would reduce chemicals instead to CFC equivalents. Meanwhile city and regional planners have to consider the role of chemicals as possible smog pollutants. And so forth. In sum, a chemical has a number of different properties important for its environmental impact, and also a number of different properties important with respect to its benefits. These can’t be reduced simply to one number, the “true cost”, or one will repeatedly reproduce the same type of fiasco as replacing ozone-destroying chemicals with potent greenhouse gases.

Perhaps it might be thought that one could get a single number to function as the “true cost” and take account of all the various environmental issues — the greenhouse problem, the ozone problem, the smog problem, etc. — by simply adding together the figure for each particular problem that might be caused by a chemical. But then one wouldn’t know whether a high “true cost” meant that something was a greenhouse gas or an ozone destroyer or simply was difficult to produce and hence was expensive for that reason. This would make it impossible to use the “true cost” to help with the solution of any specific environmental problem.

Effective environmental planning has to consider an overall picture of the economy; it has to directly plan the overall features of land use; and it has to directly regulate production. It needs material balances of what is being produced, both the products and the pollutants, and it needs to develop a general picture of what it is striving for. All this cannot be reduced simply to setting prices. Such a reduction actually distracts the masses of people and the planning bodies from the overall things they have to do.

Indeed, even the experience of economic planning in the 20th century showed that one had to go beyond planning with true values and can’t restrict oneself simply to financial indicators. Whether governments planned for economic growth, or their war supplies, the true economic prerequisites for producing something had to be regarded not simply as a financial figure, but as a list of the resources, labor, and other products that went into its production. One needed to consider the total physical quantities of resources, products and available labor in a country; how

much of these things went into a product; and how far the product, in its turn, went into the production of still more goods, or was consumed by people.

This was called the method of material balances in Soviet planning, and input-output economics in Western planning. It was used both for Soviet five-year plans and, in the immediate post-World War II period, to help plan the recovery of certain Western capitalist countries from the war.¹⁸ These systems are not the final word in planning, but they do show that it is possible and necessary to go beyond money in economic planning. Moreover, it is possible, with these systems of planning, to keep track of pollutants, although neither the state-capitalist Soviet Union of the 1930s-80s or western capitalism was much inclined to do so.

Large-scale production

Technological progress and large-scale production have brought massive devastation of the environment. They have brought the massive use of fossil fuels, the poisoning of the land and atmosphere with noxious chemicals, and the development of new poisons and environmental threats. Moreover, the dirtier sort of factories, waste dumps, incinerators, truck transportation routes, and so forth, are often set up in poor neighborhoods, and poor countries are often used as giant waste disposal sites.

Seeing the seamy side of large-scale production, some people hope that a return to small-scale production and community-based economics will solve the environmental crisis. But it is not technological progress and large-scale production in themselves that have threatened the planet, but their use for private profit. Meanwhile, small-scale production, when carried out outside an environmental plan, has its own problems. Thousands upon thousands of small capitalist enterprises can pollute as much as a major factory, while millions upon millions of impoverished people in a number of poor countries have little choice but to burn wood for fuel, and this too creates environmental problems.

The fact is that Pandora’s box has been opened, and can’t be closed. There will be need of ever-greater scientific knowledge and better technology in order to ensure that production, whether done in large industrial complexes or scattered in many individual workplaces, is done in an environmentally-friendly fashion. There will have to be extensive research on new, cleaner technologies as well as on the consequences of the chemicals already poured into the land, sea, and air.

As well, the very need to deal with the consequences of climate change will strain all the resources of large-scale production. Rising ocean levels, for example, will give rise to

¹⁸See the three-part series of articles on “Labor-money and socialist planning” in *Communist Voice* for an exposition of the view that money is not a rational means of economic planning, not even if prices are set at their true value, and not even if one uses labor money. Similar arguments would apply to “true cost pricing”. These articles are available at the *Communist Voice* website; see the links to them at www.comunistvoice.org/00LeninistTransition.html. And in particular, see the end of part one and the body of part two for a description of material balances and input-output economics. The exact method used by Soviet planners and in the West differed—and indeed, these methods themselves evolved over time. But the basic idea, of replacing a single financial indicator with consideration of all the various outputs that were wanted and all the various inputs needed to produce them, was similar.

massive projects to defend coastal cities and island nations, as well as the need to provide for millions upon millions of people who will have to relocate from where they presently live. Changes in weather patterns will require the rebuilding or replacing of infrastructure.

It is somewhat fashionable in establishment economics to deride the importance of material production; there is talk of the "new economy" or "information economy" which is based mainly on services and the generation and sale of information. Large-scale material production is supposed to be something of a remnant of the past, with less and less importance. But such theorizing will come up against the need to guarantee sources of water, find new sources of necessary raw materials, engage in extensive construction and reconstruction, protect and improve farming in the face of changes in weather patterns, etc. Information is important because it is information about the world in which we live, the world which serves as the basis for our thoughts, theories, and plans.

Moreover, environmental planning cannot be simply local: there is no alternative to regional, national and even global planning to deal with the climate and other environmental problems. Thus, for example, land use, such as the preservation of wetlands, is no longer simply of local concern; chemicals used in one location spread around the world; and greenhouse emissions have to be calculated on a global basis.

The importance of large-scale production does not mean that all workplaces will be gigantic, nor that local initiative should be trampled. But what is needed is overall planning which connects together the different sectors of the economy and workplaces, without excluding local projects and small-scale initiatives. It must be a democratic large-scale planning, in which the masses are not simply passive factors carrying out what a few planners say, but are involved in the preparation, management and implementation of the plans. Large and small projects and workplaces are both necessary, and provide the basis for each other. For example, large-scale production will eventually produce on a mass scale modern solar cells, based on the most advanced science and technology, thus providing for widespread small-scale generation of moderate amounts of power.

Mass participation

Al Gore, Jim Hansen, and others look to the present establishment organizations for the carrying out of environmental planning. Such planning combines technocrats with representatives of corporate interests. It is this type of planning that threatened the Montreal Protocol and resulted in replacing ozone-destroying gases with greenhouse gases. It is this type of planning that drags its feet and gives rise to thousands of loopholes. It is this type of planning that, with respect to New Orleans, decided on subsidies for the rich and military rule for the poor.

This type of planning can be expected to fall down even worse with respect to comprehensive environmental planning. But what can be done about it? It would be best, of course, if society changed so that the economy was run in the interests of all, enterprises were no longer run in disregard of the common interest, and mass participation in all spheres of decision-making was taken for granted as a matter of course. But we have to deal

with the environmental crisis now, while capitalist society still exists. And in this society, the only way for the working masses to ensure that the planning bodies take environmental matters seriously is to wage a continuous struggle to ensure as much mass participation as possible in the development and implementation of plans.

Today the planning of international environmental protocols is an occasion for haggling between different capitalist interests. The implementation of these plans is through officials closely connected with corporate interests, and many decisions and exceptions and subsidies are decided on behind closed doors. The neo-liberal market methods of dealing with issues, such as carbon trading, involve tremendous complexity which further removes these issues from public oversight. Indeed the entire weight of neo-liberal practice is to remove economic decisions from the masses; even secret tribunals may be used to establish binding rules. Thus NAFTA allows corporations, if they wish, to sue in secret hearings against regulations imposed on them. Such secret tribunals have been used to knock down some environmental and health regulations as infringements on unrestricted free trade and profit-making.

Thus it will be crucial to fight for the transparency of the planning process, and not just that, but mass input into the environmental planning process. While the capitalist governments will restrict this to a minimum, there must be at least some progress in doing this.

Moreover, mass participation is crucial in ensuring that environmental decisions are obeyed. The working masses must be involved not just with the goals and overall decisions of environmental planning, but with their detailed implementation as well. Environmental action is going to involve changes in how things are made, in what chemicals and processes are used in every factory and farm and enterprise, in assuring a proper disposal of waste products, and so forth. There is no way that this can be reliably carried out, and systematic fraud and loopholes prevented, without mass oversight from the workers who see what is going on. If implementation of the overall protocols is left simply to officials, who inevitably will be closely connected to the corporations and special interests they are supposed to be checking up on, then the same type of corruption will take place as in carbon trading.

Planning for mass welfare

The rapid capitalist development and neo-liberal restructuring of the last few decades has intensified economic inequalities. And now environmental problems from global warming to the collapse of world fishing stocks will intensify the economic privations of working people around the world. Indeed, millions upon millions of people will probably be forced to relocate.

It is important that environmental planning not only consider the conditions of the environment in and of itself, but the conditions facing the working people. This is crucial for both the welfare of the majority of the world's people, and successfully preserving the environment. This is because the only way to ensure mass participation in environmental planning is to have this planning go hand-in-hand with planning for people's welfare. This will give a tremendous moral authority to environmental goals, spur the enthusiasm of the masses, and unleash their active

initiative in carrying out and improving environmental plans. But if environmental planning is used as another occasion to force the burden of all problems on the working people, while the profits of the corporations and the income of the rich are regarded as sacrosanct, then the environmental agencies will justly be regarded with contempt and hatred.

This is another reason why market methods can't solve the environmental crisis. Market fundamentalism is connected with the growing gap between rich and poor, and the devastation of social services. Market methods will also lead to writing off the majority of the victims of environmental devastation, because even a catastrophe that involves millions of people may hardly cause a small dent in the market. That's what happened when New Orleans was devastated by hurricane Katrina; the stock market shrugged, but didn't take it that seriously.

The drastic cutting of greenhouse emissions and other changes needed to meet environmental goals will cause major dislocations in the economy. This may well push millions of people out of their old jobs and cause increased insecurity. If the planning agencies leave the poor and the unemployed to fend for themselves, it means letting the bourgeoisie use the environmental issue to drive down wages and further exploit the population. But at the same time, there will be a tremendous amount of work needed to transform the economy. This can help provide the basis for giving work and training and a respected place in the environmental project to the people whose old jobs have disappeared and to the millions who were unemployed even before environmental problems intensified. If everyone is to take part in the environmental cause, then everyone's welfare must be part of the environmental cause. This can only happen if environmental planning is linked with planning for the mass welfare.

The issue of ownership

The delay in eliminating HCFCs and HFCs, the fiasco of the Kyoto Protocol, the repeated attempts to replace environmental regulation by market methods, and the history of footdragging on even the most obvious environmental reforms show that the struggle to preserve the environment repeatedly comes up against the obstacle of capitalist ownership. The question arises: are the profits of the companies to be regarded as inviolable, so that nothing is done to protect the environment unless the CEOs and shareholders of firms like DuPont, ExxonMobil, and GM are guaranteed against the slightest expense?

Tim Flannery writes that "big coal, big oil, and their allied interests continue to prevent the world from taking action to combat climate change".¹⁹ And indeed, the executives of these firms look to obtain immediate and maximum profits, and close their eyes even to the prospect of the greatest damage to humanity as a whole. They fund junk science in order to discredit serious scientific analysis of the climate. This, however, is not because these companies are led by particularly evil people as compared to other firms; it is because this is how capitalism works. The capitalists are used to this method of proceeding; it's how they have worked to bust unions, eliminate social programs,

and even fight against rival capitalists. It's not just big coal and big oil, but the bulk of the American bourgeoisie which backs neo-liberalism; they're making billions out of market fundamentalism. They insist on market solutions, because this means guaranteeing their profits first, and solving the environmental crisis second.

Moreover, the establishment environmentalists may mouth off against big coal and big oil, but they don't take the struggle against them that seriously. They don't look to what class force would serve as a bulwark against big oil and big coal. Instead they promote carbon trading and other market methods that seek to gain the acquiescence of the main polluters through bribing them. But, for one thing, there simply isn't enough money to pay off the big capitalist interests and bribe them into compliance: the demands of the capitalist interests are too great. For example, under carbon trading, the traditional polluters get carbon permits, the level of which is supposed to gradually decrease year by year. But in order to be traded, the carbon permits have to be private property. And if they are private property, the companies involved may claim that lowering the level of these permits amounts to the government taking their private property for public purposes, for which they should be compensated. In fact, there already is a complex legal and regulatory dance going on over the ownership status of such permits.²⁰ One can imagine how much money it would take to buy the carbon permits back from the polluters.

True, sometimes the corporate polluters take up the verbiage of environmentalism. But when they do so, it's best to watch out. Consider the agricultural giant ADM, which is now promoting corn ethanol in its ads. Unfortunately, while there are ethanol that are environmentally better than gasoline, it's debatable whether American corn ethanol is presently one of them. Given the process needed to convert corn into ethanol, as well as the usual way corn is grown in the US, the production of corn ethanol may use more fossil fuel — in order to run tractors, produce fertilizers, provide power for the refineries, etc., — than the gasoline that the ethanol will replace.

It's the working masses who represent a serious force against the corporate interests and their drive for profit at everyone's expense. The fate of the struggle over bureaucratic or democratic planning will depend on whether workers and activists develop the environmental movement into a class movement. To do this, the issue of the private ownership interests that lie behind the resistance of the corporate polluters to regulation must be repeatedly exposed. The connection between the ownership of the economy by a rich handful and the environmental crisis must be brought to the fore. The struggle for democratic planning is a struggle against those same capitalist interests who first drag their feet on environmental reform, and then seek to turn regulatory bodies into dens of corruption.

No lasting progress if there is fear of moving towards socialism

The bourgeoisie is presently shouting "socialism" and

¹⁹ *The Weather Makers*, p. 295.

²⁰ See "Carbon Trading: a critical conversation on climate change, privatization and power", Ch. 3 Lessons unlearned. Section "Property rights and privatisation".

“tyranny” to oppose every step toward comprehensive planning, and this is echoed by some of the establishment environmentalists. But progress requires doing whatever is necessary to save the environment, and to compensate for the changes that are already inevitable. This requires economic planning, and direct regulation of production. Such planning, still partial and subordinated to capitalist ownership of the economy, is not socialism; comprehensive economic planning under capitalism is state-capitalism. It can be a more reformist or a more dictatorial and oppressive state-capitalism, but it is still capitalism.

It is not, therefore, a move towards socialism. But it will show that economic planning is not only becoming possible, but necessary. Thus it will encourage workers to wonder if capitalists are needed at all, as the economy could be planned, and planned better, without them. It will raise the issue of how workers can liberate planning from the capitalist interests that dominate it, and thus it will raise the issue of the possibility of socialism.

It has been clear for some time that major environmental problems exist. Yet at every step, capitalist interests have opposed making changes. They have shouted about how bad it would be to remove lead from paint and from gasoline, even though lead was poisoning millions of children and inner-city residents. They have moaned about the sad necessity of cleaning up the air and rivers. They have shouted about how intolerable it would be to merely be required to formulate cleaner versions of gasoline to sell in areas choking from smog. They dragged their feet on CFCs and almost killed the Montreal Protocol, insisting on the right to use HCFCs and HFCs, which have turned out to be potent greenhouse gases.

Every step in defense of the environment impinges on some capitalist interest, on the private ownership of this or that branch of the economy by rich exploiters. This leads to the question of whether the time for private ownership is done and gone. These exploiters not only make life hell for their own workers, not only keep social programs at a minimum, but also destroy the environment.

Mass participation is needed to solve environmental problems. But such participation goes against the ownership of the means of production by a privileged minority. The minority of owners naturally regard mass participation in directing the economy as tyranny. This raises the question whether it is not, actually, the ownership of the economy by the rich that is the real tyranny.

Comprehensive planning and mass participation can never be fully achieved under capitalism, and what is achieved will always be under threat. But the struggle for comprehensive planning, mass participation, environmental cleanup, and mass welfare, will help organize the working masses. It will be a spur to the class struggle. The class struggle can't wait until the environment is saved, or else the environment will never be saved. The environment can't be entrusted to the mercies of market forces and profit-seeking. Instead the protection of the environment must become another front of the class struggle.

War-style environmentalism

Today the American bourgeoisie, in its neo-liberal blindness and self-satisfaction with record incomes for the rich, has let

itself forget about what happened to New Orleans; indeed, the supposed recovery of New Orleans is probably another source of complacency, another reason to pooh-poo the need for any special concern with environmental problems. The European bourgeoisie is more edgy about global warming than the US bourgeoisie; unlike its American counterpart, it did sign the Kyoto treaty. But it is not going to live up to the Kyoto-mandated reductions: it is still dragging its feet, and is happily submerged in financial speculation on the carbon trading carbon markets. Some small island countries are worried about disappearing into the ocean in the coming decades, but overall the world bourgeoisie still isn't that concerned.

The capitalist governments are waiting so long that it looks like it may take a series of disasters, such as the flooding of some island countries and coastal cities, major fresh water shortages, and/or repeated crop failures, for them to take serious action. Then, when forced by catastrophes, the capitalist governments may impose their own sort of emergency planning. The panicked nature of this response and the need for huge resources may well make this planning resemble that of wartime. Thus it is quite possible that we will see a period of what might be called “war-style environmentalism”, where the governments seek to deal with major disasters, relocate millions of people, and handle shortages through war-style discipline.

In major wars of the last century, such as World Wars I and II, the bourgeoisie of all major countries, even the US bourgeoisie, introduced war-time planning. Key war materials were rationed and preserved for war production. Workers and resources were sent to key war industries. The workers were told to pull in their belts and sacrifice, while the capitalists who ran the war industries made gigantic profits. This didn't just take place in countries like World War I Germany, where the state had a prominent role in economic life prior to the war, but also in the US. As Lenin pointed out in the midst of World War I:

“Both America and Germany ‘regulate economic life’ in such a way as to create conditions of *war-time penal servitude* for the workers (and partly for the peasants) and a *paradise* for the bankers and capitalists. Their regulation consists in ‘squeezing’ the workers to the point of starvation, while the capitalists are guaranteed (surreptitiously, in a reactionary-bureaucratic fashion) profits *higher* than before the war.”²¹

This was a move towards direct regulation of production, but it was a “reactionary-bureaucratic” sort of regulation. It could provide war production, but it intensified the suffering of the masses, and was rife with corruption, under-the-table transactions, and waste. This type of regulation is not only oppressive, but it cannot provide the overall and sustained regulation of production needed to deal with the environmental crisis. Workers and environmental activists will have to fight against this sort of regulation in favor of steps toward the democratic regulation of production outlined in the previous section of this article.

But the experience of the 20th century is that war-time repression, while it may push discontent underground for some

²¹“The Impending Catastrophe and How to Combat It”, Sept. 10-14, 1917, *Collected Works*, vol. 25, p. 334, emphasis as in the original.

time, is not all-powerful. World War I gave rise to a wave of revolutions at the end of the war and following it. The victory over the fascist regimes in World War II helped encourage working class struggle and also speeded-up the collapse of the colonial system.

Similarly, war-style environmentalism will not be able to suppress the class struggle for long, but may well revive it. The same emergencies that at first make the capitalist governments strong, by disorganizing and disorienting the masses, will also eventually impel people to question the private property interests that dragged their feet in front of the environmental danger and that scorn serious support for mass welfare. The more the workers and activists are clear today on the difference between different types of regulation, the faster they will be able to recognize the features of war-style environmentalism, if it should come, and the faster they will be able to organize a class movement for democratic planning, social welfare, and a more effective preservation of the environment.

Tim Flannery's nightmare — the “carbon dictatorship”

One major establishment naturalist has considered the possibility of something like “war-style environmentalism”. Tim Flannery envisions that the world’s governments might only take half-measures until disastrous damage has been done to the environment. He fears that, in such a case, a “carbon dictatorship” will have to be set up. This is one of “three possible outcomes” that he sees to the present environmental crisis:

* failure to act in time “to avert great climate shifts, which destroy Earth’s life-support systems and destabilize our global civilization. . . . These changes could commence as soon as 2050.”

* prompt action beginning with “significant decarbonizing of our electricity grids by around 2030, and to have substantially decarbonized transport systems by 2050.”

* “Emissions are reduced sufficiently to avoid outright disaster, but serious damage to Earth’s ecosystems results. . . . Civilization will hover on the brink for decades or centuries, during which period the carbon cycle will need to be strictly controlled, by large and small geoengineering projects alike.”²²

In the latter case, he foresees that “humans would have no choice but to establish an Earth Commission for Thermostatic Control, something that could easily grow from the Kyoto Protocol.” He outlines how greenhouse gas control will force it to regulate one field of the world economy after another, including use of the oceans, forestry, and “agriculture and land use worldwide”. And he fears that eventually “the Earth Commission for Thermostatic Control will have transformed itself into an Orwellian-style world government with its own currency, army, and control over every person and every inch of our planet.” He adds that “As horrific as such an outcome is, if we delay action to combat the climate crisis, the carbon

dictatorship may become essential for our survival”.²³

Flannery’s nightmare seems, in part, to reflect his fear of comprehensive economic planning, which he can only see as Orwellian tyranny. He is, instead, a believer in the use of market forces to control pollution greenhouse gases, and overlooks the fact that the environmental crisis is the product of market forces.

So Flannery wants, instead of the direct regulation of production, something called “Contraction and Convergence”. He says this is “in some ways . . . an ultrademocratic variant of the Kyoto Protocol”, as it is based on a carbon trading scheme. Only, rather than giving carbon permits to corporations, “Contraction and Convergence” grants an equal carbon permit (in the form of a “carbon currency” called the Ebcus) to every individual on earth. Flannery thinks this not only will solve the problem of global warming, but, given an equal distribution of carbon permits, it “might eventually do away with world poverty and the north-south divide”, so easy does he think it is to direct market forces in any desired direction.²⁴ He doesn’t even imagine that reliance on market forces is precisely the type of half-measure that would make future environmental catastrophes and “war environmentalism” all the more likely.

It is true that comprehensive economic planning is becoming “essential for our survival”. It is needed not just to deal with the problem of global warming but, as mentioned earlier, to deal with a variety of other environmental questions. But direct regulation of production isn’t oppressive in itself: it depends on who runs it, who enforces it, and whether it is being corrupted by the ownership of the economy by a privileged handful. The same factors determine whether such planning really will solve the environmental problems.

Flannery neither refers to the forces of private ownership that would be the basis for an Orwellian dictatorship in the name of environmentalism, nor does he consider the class forces that would fight against it. But the crimes of neo-liberalism, including its failures to preserve the environment, will sooner or later spur the masses of working people to action. They will distinguish between Orwellian dictatorship and economic planning. They will not denounce planning as dictatorship if the only right trampled upon is the right to exploit people and resources without consideration of the general welfare, but they will fight a “carbon dictatorship” which removes their rights and aims to maintain the profits of the corporations while the masses pay the full price for environmental catastrophes. They will insist on democratic planning in the interests of all. Such a fight would be part of a general revival of the working class revolutionary movement, and it would point in the direction of a new economic system.

Nevertheless, Flannery does a service by raising the question of the carbon dictatorship. By posing this question, he, perhaps inadvertently, points out that the environmental crisis is raising the question of comprehensive economic planning. And the nature of the planning that is eventually introduced, and how soon it will be introduced, will undoubtedly be two of the main factors determining the fate of the environment in the coming period, as well as among the key points of the future class struggle. □

²²Chapter 33 “2084: the Carbon Dictatorship?”, *The Weather Makers*, p. 291.

²³*Ibid.*, pp. 292-4.

²⁴*Ibid.*, Chapter 34, “Time’s Up”, p. 299.

Swedish Marxist-Leninists launch *Red Dawn*

Introducing the journal *Röd Gryning*

From the first issue of 'Röd Gryning', Nov. 15, 2006:

With this issue, the Red Dawn Working Group, which was formed this Spring, starts its journal.

Now, how come — still another one amidst so many others? Why, there are already papers which take up wrongs in society — papers established since long ago, issued daily or weekly, having good journalists and writers, are easy to read, etc. Yes, there are, but in our opinion there is no genuinely Marxist-Leninist voice in Sweden, which by means of the theory of scientific socialism is able to put current questions into a wider perspective and show the path forward. That can be done only through demarcation against revisionism of all hues, i.e. against all those kinds of distortions of Marxism which for a long time have been putting their stamp on the left as a whole, here in Sweden as well as internationally. Actually, by obstructing the struggle, it is revisionism and reformism that provides space for the capitalists to move on as they do! As already Karl Marx in his time expressed it: "Unity is certainly a good thing as long as it is possible. But there are things which stand above unity. For instance, the question of the existence or abolition of revolutionary class struggle." Therefore, we characterize the aim of this journal as anti-revisionist.

By this, we don't claim to be in possession of some kind of panacea for everything — what matters is to raise the issues and put the questions. That has to be done, some must begin with it. And as the situation is today, it would be outrightly quixotic not to realize that it is going to take a long time — many years — for a Marxist-Leninist current to be built up within the working class and among the broad masses. That's why it's time to get on with it *now*.

Then there is no place for high-pitched, glaring phrases and "smart" attempts to short-cuts. What's awaiting is patient and systematic work almost from scratch, and with emphasis in the everyday milieu which the fashionable "left", with its networks and its flashy statements, have abandoned as too tiresome.

It is to the most advanced elements we turn, but in order to do that we must respond to their need to have general solutions. Thus, we simultaneously reject both the demagogical attitude that theory is nothing for ordinary people, that it's enough with a "simple" message — and the elitist attitude of providing a theoretical journal with some sort of introverted academic character. These two deviations might seem as each others' opposites, while in fact they proceed from one common basic assumption: that theory and practice are two different things which have nothing to do with one another and preferably should be held apart. Underlying that is a good deal of contempt towards precisely those for whose Marxism exists! Because what would

be the point of the entire theoretical system of Marxism, all analyses, all the works by its classics and by later followers, unless it all is being used as a set of tools to be used by those downtrodden in this society to liberate themselves?

That's why *Red Dawn* is needed. There is need for it now as the struggle about workers' rights looks to become the central issue to which so many other things will boil down. There is need for *Red Dawn* to critically scrutinize and compare different paths, to further experience from other countries, to analyze what's happening and why it's happening, to discuss strategy — that of the class enemy as well! — and maybe in the first place to show its readers how the method of Marxism-Leninism works and how one can use it independently.

But *Red Dawn* also needs its readers — as critics, collaborators and subscribers. We don't receive one penny in official support, but stand on our own legs and trust our readers. To develop and improve, we need criticism. All points of view are welcome! One may collaborate with *Red Dawn* by sending information, by describing the situation e.g. at a workplace, by writing letters to the editor, by proposing articles, by contributing with cultural material like poems, reviews, pictures and drawings etc. We have no post-box yet, but the e-mail address is: arbetsgruppen.rod.gryning@hotmail.com

Red Dawn is to be published at least three times a year for now. The next issue will come during the Winter and will focus on the national round of wage negotiations. Materials will continuously be posted at our homepage: www.arg.nu.

(The above translation is from the RDWG website, with some minor refinements by *Communist Voice*.) □

The website of the Red Dawn Working Group carries the Swedish text of *Red Dawn* and other materials. It also carries some of these materials in English, for example:

- The platform of the Red Dawn Working Group
- The resolution on communist work among the mass
- The resolution on the history of the struggle of the Swedish working class to organize into a party
- The report on the current situation (April 2006)
- An evaluation of the Trotskyist FRP (2004)
- A few of the articles in *Red Dawn* #1, such as the introduction to *Red Dawn* and the lead article on cutbacks in unemployment insurance. □

Swedish cuts in unemployment insurance

Below is the lead article from 'Red Dawn' #1, Nov. 15, 2006:

The government's attack on unemployment insurance is an attack on the entire working people!

The new government had barely installed itself before it set about its so highly prioritized task: to make the conditions for the unemployed worse. Among other things, the size of the dole is going to be smaller, the "ceiling" of it lowered, it is going to be more difficult to qualify for it, there will be no more possibility of having a period of dole extended, the fees to the unemployment-benefit funds will be made a lot higher, etc. All these measures are to be decided on December 20, so as to be in force by January 1.

Usually, austerity measures of this kind come in times of recession and crisis, with the stated reason that economy has to be saved. This time they hit as profits are higher than for many, many years, and as the state and municipal budgets have solid surpluses. So, the government cannot make the excuse that "we" can't afford abstaining from doing these cutbacks. Instead it points to the fact that unemployment rates are high, and sheds crocodile tears about the marginalization the unemployed suffer. As if marginalization would be alleviated when people get even narrower economic margins! To that, the government replies that worse conditions provide more "incentives" to look for work. Minister of finance, Anders Borg, even threatens with penalties in the form of suspension of the dole each one who doesn't seek enough jobs. As if the number of jobs available were determined by the unemployed themselves!

This talk is so absurd, that the government itself hardly believes in it. What, then, is the point of it all? Just to save money in order to lower taxes? In some part, but not only and not even in the first place. More than that is at stake. It's a matter of strategy in the class struggle waged by the government on behalf of the rich and propertied against the working people.

In spite of the boom, in spite of an all-time high at the stock exchange and flourishing "public" finances, both private enterprises and the "public sector" are determined to get rid of labor power and to avoid hiring new labor power — in order to try to press wages and salaries down and push for more "flexibility" (worse employment conditions) by using a high unemployment rate as lever. Of course, capitalists and state/municipal operations can't manage without labor power: no, along with unemployment increases also the working pace and enforced overtime. Then those who have jobs have little free time, little time to function socially, to be with their children, to manage their relations, to take care of themselves, etc. So, the situation deteriorates anyway, one way or the other, whether one loses the job or keeps it.

But as long as the unemployment insurance functions tolerably, the employers' artificial creation of unemployment doesn't really have the intended effect since there is a certain

protection against dumping of wages, against being forced into a "race to the bottom". The task of the government is to change that by political means. Deteriorated benefits puts pressure downwards on wages and employment conditions. The head economist at the Confederation of Swedish Enterprise, Stefan Fölster, confirms (in the business supplement to the daily paper *Svenska Dagbladet*, Oct. 17) that market demand for labor power won't increase, only the supply of it.

That this actually is the strategy of the government can be seen in other facts, too. Like, for instance, that those just finished with their studies are no longer to be entitled to any unemployment benefit if they are left without work. And that the various measures hitherto offered through the authorities — however cosmetic — like special programs to fill vacancies, etc., are now to be withdrawn. Likewise, there are proposals (worked out by the social-democrat and former trade-union economist, Anna Hedborg, by commission of the former government) to limit the number of days of sickness benefit; decision on that is to be made later on, during the next year.

It is no accident that the plans for so-called household services are proceeding. Not only the minister of trade and industry, Maud Olofsson, continues to push this issue; recently, the mayor of Stockholm, Kristina Axén-Olin, announced that the city's own employees are to be offered home-maids as a perk. It will surely be the well-paid officials in high and medium position who are going to use it. Since the senior officials in the city of Stockholm, with the director general at the head, now have been granted salary increases by up to 20%, maybe that's where the first home-maids are to be put to work? The supply of willing home-maids will be ensured by whipping more and more people to compete over the few other jobs available.

Still another aspect of the government's strategy is that the trade-unions risk losing members as many simply can't afford to continue paying their fees when the fees to the unemployment-benefit funds is to be much increased. That this is not simply an effect that "happens", but really an intended aim, is made clear by the plans by the government to make affiliation to the unemployment insurance compulsory — despite that such a thing formally would be contrary to the individualistic ideology hailed by the parties in government.

But what about lowering the ceiling of the benefit level, then? That is a measure which is easy to demagogically justify "from the left": why, those whose economic situation already is good won't suffer much, and as those who are worse off are being hit, then. . . In reality, however, this, too, is a strategical point. The decisive reason why in Sweden there has been no "tax revolts" like in many other countries, including neighboring Norway and Denmark, is precisely due to the fact that the social-security system has been useful also for the middle strata. That's the so-called general welfare policy (rather than the selective one, directed only to the poor). Therefore, it has been difficult in

See bottom page 13, Swedish neoliberal cutbacks

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