

CHALLENGE



THE REVOLUTIONARY COMMUNIST NEWSPAPER OF PROGRESSIVE LABOR PARTY

RULERS TO OBAMA

✓ **SELL WAR**
 ✓ **EXPAND WAR**
 ✓ **RECRUIT FOR WAR**

Soon after Barack Obama's election, U.S. rulers spelled out his most pressing new task: preparing for widening wars in an intensifying imperialist rivalry. Public notice came through a November 16th New York Times editorial entitled, "A Military for a Dangerous New World." Putting economic crises on the back burner, the Times demanded, "the Obama administration will have to rebuild and significantly reshape the military."

Times editors identified near- and long-term enemies of U.S. imperialism requiring varying levels of mobilization: "The United States and its NATO allies must be able to defeat the Taliban and Al Qaeda in Afghanistan — and keep pursuing Al Qaeda forces around the world. Pentagon planners must weigh the potential threats posed by Iran's nuclear ambitions, an erratic North Korea, a rising China, an assertive Russia and a raft of unstable countries like Somalia and nuclear-armed Pakistan."

The editorial, triple the usual length, bore the marks of a significant policy declaration. The leading members of the Times editorial board belong to the Council on Foreign Relations ((CFR), U.S. imperialism's most influential think-tank.

U.S. RULERS COUNT ON OBAMA TO EXPAND ARMY AND NAVY

The Times's specific recommendations to Obama focus on waging wars to seize and occupy territory, like oil-rich Iraq, while avoiding Bush & Co.'s on-the-cheap errors (Rumsfeld's "hi-tech," small mobile force, "shock-and-awe" bombardment). First is "more ground troops." The rulers' "newspaper of record" endorses Obama's campaign call for 92,000 additional soldiers and marines to total "759,000 active-duty ground troops." It also notes that the U.S. had 200,000 more foot soldiers than "at the end of the Cold War."

The rulers' plan implies that Obama, especially with his appeal to so-called "minorities" — who began abandoning the military under Bush — can boost troop strength significantly before resorting to a draft. However, his appeal includes white youth as well. A big part of his "National Service" program includes youth in general, considering ROTC a "service organization," returning it to the Ivy League colleges, as well as using "National Service" as an umbrella to re-build the entire military — officers, non-commissioned officers and GI's.

The Times says Obama's enhanced forces can multiply U.S. might by creating U.S.-led colonial armies in conquered lands. "The military also must field more specialized units, including more trainers to help friendly countries develop their own armies to supplement or replace American troops in conflict zones."

The rulers, speaking through the Times, also want

Obama to ensure that the U.S. war machine can invade wherever it pleases: "The country must ensure its ability — so-called lift capacity — to [transport] enormous quantities of men and material quickly around the world and to supply them when necessary by sea." In addition to building more fast cargo ships, "the Pentagon needs to spend more on capable, smaller coastal warcraft" says the Times manifesto.

But it also warns that the U.S. should not abandon its lethal carrier groups, which may come in handy against China some day. "China is expanding its deep-water navy, much to the anxiety of many of its neighbors. The United States should not try to block China's re-emergence as a great power. Neither can it cede the seas. Nor can it allow any country to interfere with vital maritime lanes."

WARMAKING RULERS ALWAYS EMPLOY BIG LIE

The editorial mentions the rulers' need to portray their deadly imperialist adventures as "righteous causes." It calls "the fight in Afghanistan, the war on terror's front line," when the war, in fact, represents U.S. imperialists' efforts to check their Russian rivals' expansionism. The U.S. and Russian bosses are locked in a bitter, ever-sharpening struggle to control the vast oil and natural gas of the Caspian Sea region, their exploitation and the transport routes to market them.

Bush, Jr. bungled the Big Lie maneuver with his blatantly false "weapons-of-mass-destruction" pretext for invading Iraq. Bush, Sr. had played the Big Lie like a violin, marshalling world support against Iraq's 1990 invasion of Kuwait, which the U.S. had, in fact, encouraged.

Bill Clinton also proved a master of the Big Lie. Vowing to stop "ethnic cleansing," Clinton unleashed a bombing campaign — bigger than anything since World War II — on the former Yugoslavia. Here too, the real target was securing pipeline routes to transport Caspian Sea energy riches to the European market, by-passing Russia and erecting military bases to encircle Russia in preparation for global war.

Each of these "noble" U.S. efforts claimed over a million lives, mainly civilian.

The war agenda the Times outlines explains Obama's bait-and-switch choice of Hillary Clinton as Secretary of State. Deceitfully courting anti-war voters in the primaries, Obama had attacked Clinton's 2002 Senate vote for invading Iraq. Firmly under the bosses' control, president-elect Obama makes warmaker Hillary a major agent of U.S. foreign policy.

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FIGHT VS. BOSSES' RACIST UNEMPLOYMENT

"Our future is looking bleak, to say the least!"
email from a Chicago Ford Worker.

For two consecutive weeks, more than 500,000 workers made new claims for unemployment insurance. The UN's International Labor Organization estimates that the current crisis will increase the unemployment lines by tens of millions worldwide. This will be a terrible strain for the hundreds of millions deeply affected by this crisis.

Galveston, Texas has gone through many hurricanes and always recovered. Not this time. The workers and jobs are gone, people's lives devastated. The University of Texas is laying off 3,800 workers at the University of Texas Medical Branch. The layoffs will destroy what was one the country's premier hospitals and Galveston's largest employer. Renown for its trauma unit, the hospital served mainly working-class patients, and was an economic center on the island. While a shrunken hospital will continue to operate, it will in all likelihood never return to what it was.

"Karen H. Sexton, vice president for hospitals and clinics was caught in a trap...acknowledged the cutbacks might be permanent. 'We know we have to be a lot smaller now.'" (NYT 11/14/08)

Like in New Orleans before it, Galveston's workers are scattered to the wind with no shot at recovery. We cannot take this lying down, not again, because much more is still to come as the bosses "solve" their crisis on the backs of the working class.

We must learn to respond to these attacks and fight back. There is much we can do. Whether we are in unions or not, we can set up unemployment committees to keep laid-off workers in the struggle and united with their brothers and sisters at work. We can fight to make every part-time worker a full-timer and organize factory committees, union or

not, to fight evictions and make sure no co-worker is homeless.

We can move evicted families back into their homes and organize to defend them from a return visit by the sheriffs. In the high schools and colleges, students and teachers can do the same. We can participate in community centers and churches that organize soup kitchens and food pantries.

These centers and struggles can become schools for communism as we engage volunteers and those in need of assistance in political discussion about the nature of the profit system and the need to destroy it. We can expand the circulation of CHALLENGE and make our paper the flag of those fighting back. We can build the PLP out of these struggles.

No worker, woman or man, black, Latino or white, immigrant or citizen, will escape the growing depression. Racist unemployment, which is double for black workers than for white (and four times higher for black youth), will soar as wages and services collapse. These are not only racist attacks in terms of those workers losing their jobs, but also for those most affected by service cuts. About two-thirds of the unemployed receive no benefits. Chicago's Cook County Health Bureau, which closed half the clinics for uninsured workers and slashed 2,000 jobs in 2007, is destroying another 500 jobs on January 1. Billionaire NYC Mayor Michael Bloomberg just ordered the closing of all free city-run children's dental clinics and is laying off 5,000 workers.

Smash Racist Unemployment With Communist Revolution

The real unemployment numbers are twice as high as those reported when you figure in the under-employed, 2.4 million mainly 70% black and Latin in jail, and 12 million undocumented workers and youth facing racist detention camps and deportations just for looking for work. "And as bad as these numbers are, they may look good a year from now because things are going to get much worse," said Sung Won Sohn, an economist at California State University. (Detroit Free Press, 11/14)

All the politicians, policy-makers and pundits are calling this the most serious crisis since the Great Depression of the 1930s. That crisis led to Hitler and the growth of fascism in much of the world, and World War II. It also led to the Chinese Revolution and the dramatic growth of the world communist movement, which ultimately crumbled under the

weight of its own internal weaknesses and mistakes. The current crisis is pushing the world closer to World War III. What we do or don't do will largely determine whether or not we are on the road to revolution. We must fight back.

The racist rulers will use Obama to try to buy time and win millions of black, Latino and white youth to invade Afghanistan and Pakistan. We can do better at leading our friends and CHALLENGE readers into the class war, and turn every battle, large and small, into a school for communist revolution. As Karl Marx said, "The point is not just to understand the world. The point is to change it." ☛

NO MELTDOWN FOR CHALLENGE-DESAFIO!

Our paper is not financed by Exxon or Citibank but by all our loyal readers, supporters and members. Many of our most generous contributors have been forced to cut down on their donations because of the financial crisis.

We, too, are cutting costs, but because of the above situation, we are falling behind in paying our bills. So we are calling on all of you to help sustain the only revolutionary communist newspaper we have.

Where else can you get the reports on workers, soldiers and students fighting back? The kind of international reporting from Africa, Asia and Latin America that appears in our pages? The latest news straight from the picket lines, from the campuses and from the war fronts? The exposés of the traitorous union misleaders, and the bosses' politicians, from Clinton to Bush, from McCain to Obama?

CHALLENGE-DESAFIO is a lifeline for the working class. We need your financial support. Give what you can to maintain this fighting newspaper. Make checks or money orders payable to CHALLENGE Periodicals, and mail to:

PLP, Box 808, GPO, Brooklyn, NY 11202.

OUR FIGHT

★ **Progressive Labor Party (PLP) fights to smash capitalism — wage slavery. While the bosses and their mouthpieces claim "communism is dead," capitalism is the real failure for billions all over the world.**

★ **Capitalism returned to the Soviet Union and China because socialism failed to wipe out many aspects of the profit system, like wages and division of labor.**

★ **Capitalism inevitably leads to wars. PLP organizes workers, students and soldiers to turn these wars into a revolution for communism — the dictatorship of the proletariat. This fight requires a mass Red Army led by the communist PLP.**

★ **Communism means working collectively to build a society where sharing is based on need. We will abolish work for wages, money and profits. Everyone will share in society's benefits and burdens.**

★ **Communism means abolishing racism and the concept of race.**

★ **Communism means abolishing the special oppression of women — sexism — and traditional gender roles created by class society.**

★ **Communism means abolishing nations and nationalism. One International working class, one world, one Party.**

★ **Communism means the Party leads every aspect of society. For this to work, millions of workers — eventually everyone — must become communist organizers. Join Us!**

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CAPITALISM: THE UN-SAFETY NET

As the U.S. economy heads into possibly the worst recession/depression since the 1930s, the "safety net" of unemployment insurance and welfare assistance that was won by the communist-led mass movement of the Great Depression is unraveling. This is what happens to all reforms under capitalism: gains are made but the bosses use their control of society to erode and reverse them. Reliance on liberal "friends of the working class" like Clinton and Obama just disarms workers politically and makes it easier to take away these gains.

There are now 21.5 million workers unemployed or underemployed in the U.S. and the figures are heading upwards for 2009 and beyond. The so-called safety-net has become the "un-safety net":

- "Unemployment insurance has been weak for a long time, but right now it seems to be quite anemic relative to the need." (NY Times, 11/16, and all quotes below) In the 1974 recession, 50% of the jobless received unemployment benefits. Today only 37% do. Then benefits lasted for a maximum of 65 weeks. Today it's 39 weeks. "And low-income workers — [including] women and those in part-time employment — are one-third as likely to receive unemployment insurance as higher-income workers."

- "Bill Clinton...made it tougher to qualify for, and keep receiving, [welfare] benefits. Many people who lost their jobs now and fall into poverty may not qualify for public assistance....limiting the

amount of time most recipients can receive benefits."

- "As states have imposed tougher restrictions on welfare, just 40% of very poor families who qualify...today actually end up receiving it, compared with 80% in...[past] recessions."

- "Cash-strapped states have cut Medicaid..."

- "Low-wage-earning women often fail to qualify for unemployment benefits because many states do not provide such assistance to part-time workers or those who fail to work six quarters in a row. The other safety net for this group of workers is the traditional welfare system. On that front, the news is not promising at all."

Because of racism, the hardest hit will be black and Latino workers (triple so for women in those groups). Given that they are the last hired and the first laid off, at overall lower wages, their unemployment rates are double those of white workers and will be the biggest victims. There will be no \$700 billion bailout for them.

Meanwhile, the bosses' Pentagon budget has reached \$685 billion for the imperialist wars in Iraq and Afghanistan to control their oil empire, with no end in sight.

Whether Reagan or Clinton, whether Bush or Obama, they all defend the system that puts profits — and the wars to defend them — first, and workers' lives last. Only communist revolution — without bosses or profits — can end this hellhole for the working class. ☛

PROGRESSIVE LABOR PARTY

P.O. Box 808 Brooklyn NY 11202 • www.plp.org • email: desafio.challenge@gmail.com • blog: challengenewspaper.wordpress.com • 718 - 630-9440

Unite vs. Racist Murders of Immigrant Workers

PATCHOGUE, LONG ISLAND, NY, November 18 — Hundreds attended the November 16 funeral service for Marcelo Lucero held at a local church. The day before, a few thousand people attended a vigil protesting the racist murder of Mr. Lucero, a laundry worker from Ecuador, who was walking with a friend when a racist gang of drunken teenagers attacked them.

The gang told cops they were “hunting for Mexicans.” Mr. Lucero tried to defend himself, but was outmanned. Swastika-tattooed Jeffrey Conroy plunged a knife into Mr. Lucero’s chest, killing him. Conroy has reportedly been involved in other anti-immigrant attacks. Shortly before the gang assaulted Mr. Lucero, it beat up a restaurant worker from Colombia who managed to get away.

PLP’ers at the vigil distributed 200 CHALLENGES and gave out hundreds of leaflets titled, “Don’t Be a Sucker for Racism: Racist Hysteria Pushed by Bosses, ICE and Politicians Behind Murder of Marcelo Lucero.” [ICE is the Immigration and Customs Enforcement cops].

The people at the rally were mostly Latino, but were joined by many blacks, Asians and whites who came to demonstrate their outrage over this racist crime. Those who read the PL leaflet readily agreed that this murder was not an isolated incident but part of a national campaign to terrorize and scapegoat immigrants.

Though speeches by preachers and politicians were pretty lame, the mood of the crowd wasn’t. When Patchogue’s mayor spoke the crowd started shouting “Justice! Justice!”

One older Jewish teacher there told a retired PL teacher that she had attended County executive meetings to oppose the anti-immigrant proposals of Steve Levy, Suffolk County chief. She asked rhetorically: “Do you think these stupid kids would have done this without years of people being riled up by politicians like Levy?” When asked about Levy’s party, she said: “Oh, he’s a Democrat. You know they’re all the same!”

Levy has been a major force in the anti-immigrant hysteria sweeping the U.S., which in many areas has become ethnic cleansing. Last year, Levy asked county cops and ICE cops to raid homes where undocumented immigrants were believed to be living.

This led to one immigrant being found dead in the woods near Huntington Station. Mr. Lucero’s killers came from an area near Farmingville, L.I., where, in 2000, two Mexican day-laborers were kidnapped and beaten. In 2003, five racist teens set fire to a Mexican family’s house.

A group of anti-racists, including PLP’ers, were arrested back then after confronting a racist harassing day-laborers in the area. After a lengthy trial, the anti-racists defeated the frame-up charges.

Even after these racist incidents, Levy continued preaching his poison, actually appearing on national TV on the CNN Lou Dobbs program, another anti-immigrant racist.

The murder of Mr. Lucero occurred as a murder trial is beginning in Shenandoah, Pa. Over the summer, in a similar incident, a gang of white high school football players killed Luis Ramirez, 25, a laborer from Mexico.

Meanwhile, even the FBI has reported that since 2003, hate crimes against Latinos have increased by 40%. But another branch of Homeland Security, ICE (the Immigration police) is intensifying this racist trend with its Gestapo-like raids of factories nationwide, separating children from their parents. Of all hate crimes targeting national origin and ethnicity, 62% are committed against Latinos.

This racist assault against undocumented immigrants is based on the big lie that these workers “take away jobs” and social services from “Americans.” Those who fall for this garbage — like these racist teens or workers who applauded when fellow immigrant workers were arrested in a plant raided by ICE (tipped off by the pro-boss union) — are just dividing our class. They are cutting their own



throats by helping the bosses, the source of all our problems. It’s no accident that amid this racist pogrom against immigrants, millions are losing their homes and jobs and social services are being slashed. Meanwhile, the government is bailing out the big bankers and bosses guilty of these attacks and is spending trillions on the oil wars in Iraq and Afghanistan, without any major fight-back by workers.

In New York State, NYC Republican Mayor Bloomberg, a multi-billionaire, and Democratic governor David Paterson have just announced massive layoffs and cutbacks in all public services, and increased tolls and fares in public transportation.

Those who think that Obama will help workers are in for a big surprise. Obama has shown that his first loyalty is to the same bankers and bosses behind the economic meltdown.

As communists, PLP’ers say that when workers and youth get suckered by racism, the entire working class suffers from the resulting disunity. One example of how racism disarms all workers and youth politically: one of the teenagers who attacked Mr. Lucero is the son of a Puerto Rican and African-American family, themselves victimized by racist attacks when they first moved to Long Island several decades ago. So this youth, instead of fighting the racist rulers and their thugs, joins in an attack against other victims of racism.

Unless we overcome racial divisions and wage a united fight against capitalism, we will never be able to achieve a society that serves our needs, not those of the billionaires and their bought-and-paid-for politicians.☸

TWU Hacks Attack Rank-&File, Help Rulers Squeeze ALL Workers

NEW YORK CITY, NY, November 10 — The city’s bosses are ganging up on mass transit’s riders and workers, who are mostly black, Latino, and immigrant. The Metropolitan Transit Authority (MTA) is considering raising fares 23% while proposing to lay off 2,800 workers and attack seniority in at least one department.

These racist attacks come just weeks before the current contract between the MTA and Transport Workers Union (TWU) Local 100 expires in January 2009. Instead of mobilizing demonstrations against fare hikes and organizing job actions, Roger Toussaint, the president of Local 100, pledged not to lead a strike “now or in the future” in return for reinstating automatic union dues check-off.

The courts took away Local 100’s automatic dues check off after the union broke the state’s Taylor Law (barring public employees from striking) in a 60-hour strike in December of 2005.

Without automatic check-offs the union had to individually ask members to enter into payment plans. Instead of using the opportunity to mobilize workers to raise money to fight the bosses, Toussaint’s leadership denied any and all union services to members who weren’t paid up in full or in “bad standing.”

About 50% of the members are in “bad standing”—some to save money, others experiencing glitches with union plans, and many out of resentment with Toussaint for calling off the 2005 strike without a deal. These workers can’t call the union, go to union meetings, enter the union building, participate in union classes, vote in union elections, or receive union representation in grievances without paying up in full. Now, automatic dues check-off will collect millions in current dues but won’t restore past debts, leaving members in bad standing without rights.

In September the local’s executive board used dues to suspend three track division union officers. When one called for restoring members to good standing immediately as long as they paid the normal dues and an extra catch-up amount. The execu-

tive board charged him with calling for “dues amnesty.” Another was accused of running the August track division meeting while being in “bad standing.” The third was charged with defying union staffers attempting to shut down the August meeting.

Transit workers told CHALLENGE that the meeting almost came to blows when the union staffers tried to prevent workers from talking until the members in bad standing left the room.

The real issue is that the three track officers were leading job actions to prevent eliminating regular days off on the weekends for the track department. The executive board is opposed to any job actions.

In addition to dividing the workers, the bosses aim to pit the public vs. workers with a local TV news report accusing track workers of running personal errands on the job, and working only 1-2 hours a day.

The bosses want riders to blame “lazy” workers for fare hikes but the real thieves are the MTA bosses, Wall Street banks and city and state politicians.

To fill the budget gap created by the lack of government funding, the MTA colluded with major banks to borrow money in the form of bonds.

Now two billion dollars, nearly 20% of the MTA’s projected 2009 budget, is going to “debt service,” the fastest-growing part of the MTA’s deficit. In plain English, “debt service” means paying interest on bonds backed by Wall Street banks. These banks’ corporate officers are stealing billions from transit employees and riders without doing a drop of work. Hundreds of higher managers in the MTA make six-figure salaries without ever picking up a tool or operating a vehicle. And the media calls workers lazy!

To fight these attacks, transit workers and riders will have to unite against the bosses as well as the sellout union leaders. Victory in the struggles for lower fare and a “good” contract should be measured in the unity of workers in fighting these attacks and in the building of the revolutionary communist PLP. We can’t wait for someone else to take up this battle.☸

Organize School Strike; Don’t Pay for Bosses’ Crisis

LOS ANGELES, November 20 — The LA teachers’ union and the board of education are in endless negotiations. Superintendent Brewer has sent out a memo to all employees saying that “without substantial, systematic, responsible District-wide cuts and help from Sacramento, Los Angeles United School District (LAUSD) will not be able to make payroll by the end of the school year.” They have instituted a freeze on field trips and purchases of school supplies. Brewer demands sacrifice from teachers: a sacrifice of our families’ health benefits, of the reduction in class size won last year, of a cost-of-living increase. He says, “Crises demand focus and unity of purpose” — while he’s making \$300,000 a year, we should take these cuts lying down.

The bosses’ economy is in crisis, the inevitable result of the capitalist system, a crisis that leads inevitably to depression and world war among rival imperialists. (See article, page 8.)

Billions are spent on oil wars, and to bail out bankers while we face deeper attacks on clinics, libraries, schools and the community college, state college and University of California system.

A system that removes hard-working people from their homes and jobs and cuts back education and healthcare while increasing spending on cops, prisons and the military must be destroyed!

The sellout union leadership moans about the crisis and tells us not to expect too much! Their plan is “Faxing the Facts” of district waste to the Board of Education. They say nothing about mobilizing the members to join with students and

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Marchers Slam Racist Anti-Immigrant Raids



BROOKLYN, NY, November 16 — Chants of “citizen, immigrant, black and white, Workers of the World Unite” and “Somos Trabajadores, No Somos Ilegales” rang out as around 150 marchers demonstrated against anti-immigrant raids. A coalition of immigrants’ rights organizations, church commit-

tees, and union activists organized this demonstration. They provided speakers in English and Spanish who set the tone for this firm and united march. PL’ers, along with our base of CHALLENGE readers, were active in these organizations in urging this response to attacks on immigrants.

Our target was the kosher meat market owned by the Rubashkin family. The Rubashkins own the Agriprocessors meat-packing plant in Postville, Iowa that was recently raided by ICE (Immigration and Customs Enforcement) agents. At a rally before the march began, a long-time unionist related the horrific conditions that Postville meat-packers faced (over 9,000 child labor violations, hundreds of wage violations as well as dangerous and unhealthy conditions in the plant) to the drive for super-profits that led to the current capitalist financial crisis.

He pointed out that Agriprocessors is in the news today but it is typical of treatment workers increasingly find in this country and around the world. The worldwide system of exploitation and greed we call imperialism is the main reason that immigrants leave their country of origin to seek work in places like the Postville plant. A speaker also related the racist treatment of these immigrant workers to the recent murder of Marcelo Lucero by racist thugs on Long Island simply for being Latino

(See page 3).

As we marched we got a mixed reception. Starting in a neighborhood of recent immigrants from Mexico, Pakistan and Bangladesh, we were warmly received. Many people raised fists in support of our anti-racist chants and others joined our march. As we moved to an ultra-Orthodox Jewish neighborhood the response was cooler. We patiently answered questions as to why we were demonstrating and firmly held our ground. Our march brought the message of working-class unity and the need to fight racism. We would not be provoked or deterred.

When we returned to our starting point, a second rally was held. A representative of the United Food and Commercial Workers Union spoke about how Agriprocessors had cited immigration status as the reason they refused to abide by a vote for unionization in a Brooklyn warehouse. This made clear the connection between anti-immigrant and anti-worker actions of this racist boss.

Today’s march showed the unity needed to fight racism. With communist leadership, in the long run this unified struggle will lead to the death of the cause of racism: capitalism.✶

PL’er Spurs Union Backing of Stella D’Oro Strikers

The Local 1199 SEIU Healthcare Workers East Delegates’ Assembly unanimously passed a resolution to support the Stella D’Oro bakery strikers, as part of the PLP initiative to build working-class unity and support for striking workers. The Delegates’ Assembly agreed to send a contribution to the bakers’ local and encourage workers to visit their picket lines at the Bronx bakery.

After hearing that the bakery was employing scabs to break the strike, demanding huge wage-cuts, and is victimizing a group of largely Latino women and minority workers, several workers got up to second the resolution. The SEIU leadership had spent the previous hour and a half extolling the virtues of the Obama electoral campaign.

The PLP delegate introducing the Stella D’Oro resolution had been in Pennsylvania with the Obama campaign working to build ties with co-workers and other union delegates and to expose the dead-end of building capitalism to fight racism. He prefaced the resolution by stating that what struck him most during his time with the Obama campaign was when he saw a white working-class family in Chester, PA pulling up in a station wagon to a black family’s home to spend the day together. He remarked that “Change comes from the workers, not from the top.”

This resolution is only a first step. Building the close ties with co-workers and other union members is essential to advancing the basic truth that the only solution is communist revolution. We are in the process of building our CHALLENGE networks and having our readers become distributors of PLP’s ideas.✶

RULERS TO OBAMA

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On the economy, Obama’s appointment of Timothy Geithner to Treasury Secretary signals that whatever the new administration does will favor U.S. imperialists over workers. Geithner is a protégé of the biggest U.S. war criminals. He has toiled for the profit system both at Kissinger Associates and the CFR.

Basically, the Times’ ruling-class plan is a warning to the international working class that U.S. rulers are hell-bent to maintain their military supremacy worldwide, to be in position to launch wars whenever and wherever they feel their “strategic interests” — mainly control of oil — are threatened. Their past adventures which killed millions will seem paltry compared to what’s in the works.

All the more reason for the working class to challenge these murderers, and build PLP into a mass communist party capable of winning millions of workers, soldiers and students to answer their bloodbath with revolution to destroy this hellish, war-producing profit system. ✶

Boeing Welcomes Back Workers With Layoffs

SEATTLE, November 23 — The ink has yet to dry on the new Boeing contract, but the bosses are already waging class war against aerospace workers. In the process, the bosses are making it clearer than ever that workers can win this war only with a revolution for communism.

Within days of returning to work, the company told Facilities Maintenance workers it planned to cut the workforce 10%, using outside contractors to do the work more cheaply. Commercial Chief Carson implied layoffs would start for the rest of us by the end of next year and now Boeing announced 800 layoffs at its Wichita plant. So much for job security! But the sharpest attacks were reserved for subcontractors.

As reported in CHALLENGE, 1,000 Vought subcontractor workers in Nashville, Tenn. struck a few weeks after we did. These Boeing subcontractors soon had to face busloads of scabs, escorted into the plants by local cops. Last week, the union got the Federal Mediator to resume talks with the company. They quickly fell apart when company negotiators arrived with armed guards.

In South Carolina’s Vought plant, which makes the 787 Dreamliner’s rear fuselage, 240 workers joined the International Association of Machinists (IAM) over a year ago. This was touted as a huge victory for unionism in the largely non-union southern aerospace corridor. But after a year the union had still not ratified a contract.

Not wanting negotiations to drag on past the first anniversary (when the company could call for a new certification vote), IAM Grand Lodge Representative Joe Greaser called an “emergency meeting” for 4 PM Friday, November 7. Few workers knew about it.

Later, Greaser announced 92% of the membership had accepted the new contract. He failed to mention that only 13 workers showed up, according to quality inspector Paul Gaudrault, who was the

sole dissenting vote.

Vought was “surprised to learn that its employees apparently ratified a contract that was not its final offer.” The workers were furious.

Mechanic Pam DeGarmo said the 1½% annual guaranteed wage increase wouldn’t even cover the new union dues and inflation. About 200 workers will be laid off temporarily because of the two-month strike at the Puget Sound plants. Gaudrault said some of his fellow workers are thinking about not returning “because the contract is so horrible.”

The union leadership here refuses to talk about these outbreaks of class struggle — and these workers are in the same union! “They [the union misleaders] are more than willing to complain about the poor fate of 751 [our District Lodge],” declared a member of our CHALLENGE readers group, “but they won’t talk about others. We’re all part of the working class!” CHALLENGE readers here plan to fight for a more class-conscious response in the union and among workers on the floor.

Had there been CHALLENGE readers groups in South Carolina, like those being consolidated in Seattle, they could have mobilized workers nationwide to back this “watershed” organizing effort; led solidarity rallies and picketing; and organized illegal strikes to fight the company’s terms.

Most importantly, these fight-backs could have been turned into schools for communism with large sales of our paper and a struggle to bring communist ideas to life. Such fight-backs alone can’t solve capitalism’s crises of overproduction. The attacks, like those on autoworkers, can only sharpen. Ultimately, the rivalry among the world’s imperialists will lead to world war. CHALLENGE readers groups can advance the struggle to help turn this into class war, with communist revolution.✶

Jewish, Palestinian Workers Must Unite Against Israeli Fascists

(Part one of this article, based on a visit by an international medical team to Israel/Palestine, discussed the horrendous apartheid-like conditions imposed by the Israeli rulers on the Palestinians in Gaza).

Modern Israel was born over 100 years ago, as Jews fleeing anti-Semitism in Europe began to immigrate there. This accelerated greatly after World War II when England and the U.S. refused to admit Jewish refugees from the holocaust. The Zionists' view of racism as a particular evil used only against them made them believe that only a Jewish state would guarantee safe harbor for Jews. This allowed the Zionists to invoke racism against the Arabs living in Palestine, claiming it was a "land without people for a people without land."

They bought up land and by the late 1940s had hatched a plan to forcibly remove Palestinians from as much territory as possible. Over 500 Arab villages and urban areas were destroyed and about 900,000 Palestinians were murdered or displaced (see "The Ethnic Cleansing of Palestine" by Ilan Pappé). Many modern towns, parks and forests are built on top of these destroyed areas. This history is unknown to nearly all Israelis. It is forbidden to teach about it in the schools.

Most Palestinians, whose population about equals the Jews, live on 22% of the land of Palestine as defined before 1948, divided between the West Bank, East Jerusalem and Gaza. A system of passes keeps them confined to one of these three areas, a tall separation wall surrounds them, and check-points dot the roads. Families are divided from one another, farmers are separated from their land, students from their schools, and patients from health care.

Israel controls 90% of the water, each Israeli us-

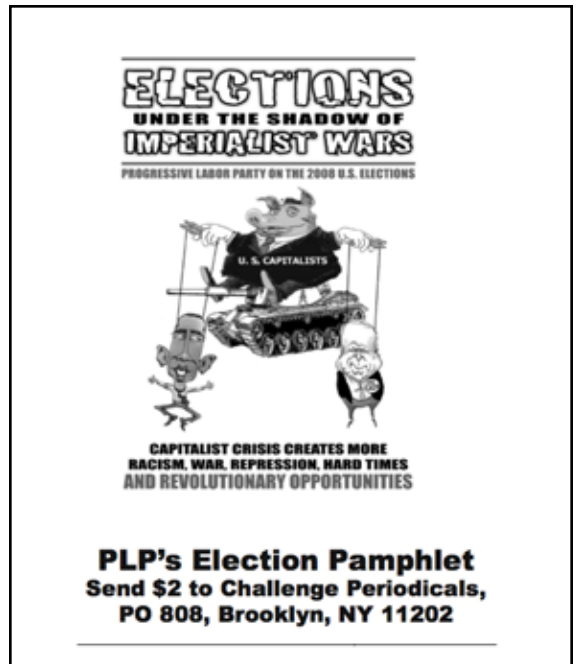
ing 15 times more water than a Palestinian. In Gaza, the Israelis have cut off most supplies, leaving the hundreds of dangerous tunnels dug from Egypt as the major supply routes for all goods. Hunger, malnutrition and unemployment affect the majority of Gazans.

The Israeli government continues to build more settlements in the West Bank, which is dividing the territory into three disconnected areas. This makes any proposed two-state solution impossible. Now more Palestinians and dissident Israelis are calling for one state.

As long as Israel continues to receive more foreign aid from the U.S. than any other country, about \$3 billion a year, it is unlikely to change its policies. The U.S. needs Israel as a bastion of strength against the other countries of the Mid-East, who have the oil the U.S. covets or who oppose U.S. policies. Anyone who had hopes that Obama would change this should witness his groveling before the Israeli lobby and his appointment of Chief of Staff, Rahm, who had an Israeli terrorist father and is hard-line for Israel.

Palestine is also a class society, with a few wealthy families and the rest living very poorly (see Communist magazine, summer '08). Its leadership is divided between the corrupt Fatah party, which represents the ruling elite and is all too willing to make deals with Israel, and Hamas, a fundamentalist Islamic nationalist party which controls Gaza. No Palestinians we met had any use for either of them, but there is little alternative leadership.

The opposition "leftist" parties call for more democracy and one or two states, but do not discuss the structure of the society, classes, racism or critique nationalism. There appears to be little organized opposition to occupation of any kind, except



the few rockets from Gaza and regular anti-wall actions in two villages. Many predict a third spontaneous intifada, or rebellion, when some atrocity sparks mass anger.

It is difficult to devise strategies in this apartheid situation, but certainly the need to understand the role of Israel, racism and nationalism in the context of world imperialism is primary. Then the task of building a movement of Palestinian and Israeli workers based on the call for an egalitarian, multi-racial society is at least clearer. Hopefully the contacts we made on both sides of the divide will advance this goal.☺

U.S. Bombs Pakistan, Escalating U.S. Afghan War for Oil

On October 24 a reported 10,000 Afghans chanting "Death to the barbarian Taliban and Americans" protested the Taliban's execution of 26 young men. Claiming responsibility, a Taliban spokesman said they were Afghan security-force recruits. But a witness told Agence France Presse, "They were innocent civilians who wanted jobs... on their way to Iran."

On November 5, U.S. warplanes, allegedly targeting Taliban, bombed an Afghan wedding party, killing 37 (including 23 children). A day later 30 more civilians died in another U.S. air attack.

The unprecedented size of the anti-Taliban rally reflects Afghans' anger at the barbarity of both sides in a war in which they are increasingly the victims. A survey by The International Council on Security and Development found that six of ten Afghans want foreign troops out. Yet president-elect Barack Obama pledges to send 20,000 more troops to Afghanistan.

For Afghans, seven years of U.S.-NATO occupation has meant more deaths, and worsening economic conditions. In some areas, 80% live below the poverty line. One in five children dies before the age of five. Millions face famine the winter. Food prices have skyrocketed.

Afghanistan now produces 93% of the world's heroin. Addiction is rising, even among women and children. Cheap and readily available heroin replaces costly medicine and is used as an antidote against despair. Tent cities ring the capital next to mansions built from narco-trafficking. Billions in foreign aid go to profiteers, not the needy.

In 2001, the U.S. returned Northern Alliance Fundamentalists to power — warlords and former jihadists who view women as domestic slaves and procreators. They're now an 80% majority in parliament in the world's most dangerous country for women. Gang rape, murder, abduction of girls and women go unpunished, as do killings of female teachers, activists and professionals. Wom-

en trying to escape violent husbands and families are jailed.

The Taliban's growing military strength, its deployment of suicide bombers and roadside explosives, is leading to an increasingly dangerous battlefield for occupying forces, especially in southern and eastern Afghanistan where the Taliban fighting force swells when necessary with locals willing to fight for cash.

The Taliban are also fighting for political and economic power, challenging the U.S.-installed, puppet president, Hamid Karzai, and the warlords and drug czars in government positions whose access to international funds and resources has

'In the 1970s, there were country-wide uprisings by peasants and strikes by workers in government printing shops, textile mills, cement plants, mines, transportation and on construction sites. Many fought against the ruling class which used religion to oppress workers and peasants.'

made them extremely wealthy.

A coalition of Karzai's parliamentary rivals — the United National Front — want an international effort to settle the civil war. But the U.S. opposes this and, aided by the Saudis, is quietly working to include "moderate" Taliban in the Karzai government. Recently the heads of the CIA and ISI (Pakistan's intelligence agency) met in Washington. They discussed isolating Pakistan's "moderate" Taliban from the militants and Al Qaeda who are engaged in a brutal war with the Pakistani army in the tribal region that has left many dead and more than 300,000 homeless.

While talking "reconciliation," the U.S. has been widening the war: 300 U.S. military advisors now train Pakistani counter-insurgency troops on U.S.-purchased land near Pakistan's capital. Since July the U.S. military has bombed Pakistani locations where it claims Afghan Taliban have safe ha-

vens. Despite Pakistani government protests, the attacks continue, killing many civilians, escalating the conflict on both sides of the border and foreshadowing a break-up of the region into ethnic enclaves.

The U.S. calls its escalation a continuation of "the war on terror" but it's really a dogfight with imperialist rivals, primarily Russia, but also China and Iran, for control of Central Asia's oil and gas fields as well as enhancing the profits of its multinational corporations.

Former Pakistan Army Chief, General Mirza Aslam Beg, suspects the U.S. wants to end Pakistani control of the tribal areas and Balouchistan, a Pakistani province bordering Iran and Afghanistan where the U.S. is secretly training Balouchistan separatists. The Taliban might then be offered a deal: an independent state carved from both sides of the Afghan/Pakistan border. Balouchistan would become a U.S. client state and the U.S. would build a long-anticipated pipeline from Central Asia through a stabilized Afghanistan and Balouchistan to the Arabian Sea.

In the 1970s, there were country-wide uprisings by peasants and strikes by workers in government printing shops, textile mills, cement plants, mines, transportation and on construction sites. Many fought against the ruling class which used religion to oppress workers and peasants. Women were particularly exploited, virtual slaves to their husbands and families; they worked at home, on the land, and produced handicrafts for additional family income.

We in PLP are trying to learn from the achievements and mistakes of the old communist movement, in order to advance the struggle against all the imperialists and their cohorts (be they Jihadists, state-capitalists or free marketers). We call on the workers and peasants of Afghanistan, who had fought and still fight against the fundamentalists, drug warlords and various imperialist puppets like President Karzai, to join with us in rebuilding an international communist movement to smash capitalism in all its forms.☺

LETTERS



Racist Cops Frame Airport Skycap

According to his lawyer's press release, a skycap worker at LaGuardia Airport was attacked and arrested by police on Friday November 7th for doing little more than his job. A week later when he returned to retrieve his paycheck the worker was screamed at by his boss who told him "he no longer had a job here" and to "get out before he called the cops."

On November 7th, the skycap was performing his normal functions of helping passengers with their bags to and from their vehicles. Around 10 pm he escorted a family of passengers to the enormous yellow cab line. After waiting for about ten minutes the skycap was asked to call a private car service. When the private car arrived the skycap went to hail it, but before he could return to the family he was thrown against an airport bus. "You're going to jail!" screamed a man.

Bystanders said it appeared that the skycap was being jumped, because the cops were wearing plain clothes. While initially it seemed the police were going to attempt to charge the skycap with some sort of soliciting, they decided to charge him with resisting arrest and trespassing (despite the fact that he was in uniform!)

The police specifically targeted some of the lowest paid mainly black workers at the airport. Skycap workers are paid only \$40-a-day plus tips, even though some work as many 16 hours a day. Perhaps they felt they could easily fulfill a quota by arresting a worker with few resources available to fight back. Or they could be under pressure to make more arrests due to the state budget crisis.

Either way, the sting helped the airport bosses by terrorizing workers into being passive as they face more cutbacks and lower pay (bag fees continue to cut into skycap workers' tips for instance). Ultimately this is the role of police under capitalism, to serve the bosses. Meanwhile, as capitalism sinks deeper and deeper into economic crisis it attempts to force the most oppressed workers into taking even less.

The same boss who fired the arrested skycap worker had this response to workers' complaints about these attacks: "If you don't like it then just leave!"

The best way to respond to these attacks and this callous attitude of the bosses is to unite and fight back. There is already a preliminary plan to bring company and subcontractor workers out for the arrested worker's court date in December. On top of this we should unite all workers to demand the reinstatement of our coworker. Building this unity and struggle amongst workers can show the potential of a communist future where workers run society collectively for ourselves.

Airport Worker

Sunday School Lesson: Obama, No! Organize, Yes!

What a trial going to church the Sunday morning after Election Day! They sang every patriotic song in the book (except the Star Spangled Banner). My little liberation theology congregation is two-thirds black, yet Obamamania hadn't really been an oppressive theme there until he won. I think most people didn't think it could really happen.

Now we're in different territory, and while I haven't been directly attacked yet, liberal illusions are taking hold very deeply. Anti-racist/anti-imperialist struggle will become more vital and uphill than ever, and my comrades must engage in sensitive base-building much more consciously than ever before. This will be a life-and-death issue for us to progress.

A very positive aspect emerged in the weeks prior to the election: we planned a "Peace and Justice Afternoon" focusing entirely on the intensified racism of our State's budget cuts (pushed by a black Democratic governor) and the promise of both McBama/O'Cain to expand the Afghan/Pakistani war. Due to our principled struggle, a significant number of people attended the event instead of working for Obama the Sunday before Election Day.

As the fight against racist health care had been our priority for almost three years, two young people described their terror about asthma attacks because primary care is being closed in their neighborhood. One young intern described his job serving neighborhood AIDS patients. Another recounted his work as an asthma abatement technician in a program serving only a small fraction of the growing need in our inner-city community. He promised to try to involve the rest of our interns and growing youth group in regular dinner-discussions of issues raised in CHALLENGE.

Two comrades spoke movingly about strike support and action in solidarity with super-exploited immigrants to which we're bringing many people. (Two of 18 healthcare advocates from London said they never had expected to hear anything so progressive at a meeting in the U.S.!) The Boeing strike was held up as the kind of activism we want to encourage and support. We discussed how it was objectively anti-war in shutting down military production. Our role in fighting racist subcontracting was also noted.

Although we didn't emphasize anti-imperialism enough and concluded before a thorough discussion of expanding war, we still emerged with a solid core of youth who agreed to take our paper and plan to meet soon to discuss action against the racist education cutbacks and organizing local strike support and solidarity with immigrants.

Red Sunday School Teacher

Thanksgiving: 'New World' Genocide

Thanksgiving is a holiday most people enjoy as a day for eating with relatives and friends. But of course, it's much more than that. It's supposed to celebrate the survival of the first European Pilgrims in North America who, according to the legend, invited the local Native population to share their first harvest in New England. Well, this is just a lie.

For the region's Native population, the Pilgrims'



Anti-racist march by Indigenous people reach Bogotá, capital city of Colombia

arrival meant genocide. Most of the Native population was either killed by diseases spread by the Pilgrims or through wars to steal their land. Many were sold as slaves.

And it wasn't just in New England. In the year 1500, North America's Native population totaled five million. By 1900 it was down to 250,000! There were 80 million people in the "New World" when the European colonialists began arriving after 1492. By the mid-1500s there were only 10 million. Mexico alone had a population of 25 million when Spain's Hernán Cortés arrived. A century later only one million remained.

The genocide of the Native population was accompanied by another genocide: the slave trade. And again, it was accompanied by hypocrisy like the so-called goodwill of the Pilgrims towards the Natives.

British philosopher John Locke, father of modern liberalism, who even wrote about the evil of slavery, was also a major investor in the English slave trade through the Royal Africa Company. He also participated in drafting the "Fundamental Constitution of the Carolinas" which established a feudal aristocracy and gave a master absolute power over his slaves. Locke also inspired the "Founding Fathers of the U.S." whose concept of "freedom" did not apply to slaves.

And of course, the heirs of European colonialism, 21st century capitalism is continuing with that bloody tradition with U.S. rulers killing one million in the Iraq war, over five million in various local capitalist and imperialist wars for the mineral wealth of the Congo, and so on.

As Karl Marx said, capitalism was born shedding blood worldwide. And, like a vampire, it continues to live sucking the blood of millions of workers globally.

Eat your turkey on Thanksgiving but also dedicate yourself to the fight to destroy capitalism once and for all.

Red Geronimo

Organize School Strike; Don't Pay for Bosses' Crisis

continued from page 3

parents to fight the district's blatant attack on the working class to pay for the bosses' crisis!

At local area meetings we said "organize for a strike: we shouldn't have to pay for the bosses' crisis" and received a lot of support. Many teachers were disgusted by the union leaders' passivity, and spoke so strongly that a union leader at one meeting was forced to pretend to support a strike

as well. We said that understanding the nature of the crisis and the failure of the capitalist system will give teachers and other workers the understanding and commitment to fight for their class. During this crisis we've increased CHALLENGE distribution to teachers, staff and students, and linked the need for a strike to the need to build the long-term struggle for workers' power.

In organizing with students against these cutbacks, we're building unity between students and teachers. The union plans a picket line on December 10 at the local district offices to expose the district's waste. We're encouraging students and

teachers to go to these rallies to fight for a strike against the cutbacks and for a long-term struggle for communist revolution. The main victory is the unity and confidence to build a struggle against the whole capitalism system which means getting closer to putting an end to capitalism once and for all and building a new, communist world.

‘Big 3’ Would Solve Auto Crisis on Workers’ Backs



BARCELONA, SPAIN, Nov. 25 — Thousands of Nissan workers, supported by other workers and students, have been marching and protesting against the loss of 1,680 jobs. Angry workers even thrashed Nissan’s headquarters throwing all kinds of objects including the fences protecting the building.

DETROIT, MI, November 18 — The recent Congressional hearings on a possible \$25 billion bailout of GM, Ford and Chrysler reflect the depths of the global economic crisis. The Detroit Big 3 auto bosses are clinging to life, despite shedding more than 150,000 jobs and getting billions in wage and benefit concessions from the workers in the 2007 contracts. Auto sales in October dropped to an annual rate of 10.8 million vehicles, the lowest in 25 years.

There are roughly 240,000 Big 3 workers, although only about 140,000 are UAW members, a 50% decline in three years and shrinking with every plant closing. This crisis shows that capitalism can’t meet the needs of the international working class and must be overthrown with communist revolution.

The effects of this crisis have an especially racist character. A large number of black and Latino workers will lose their jobs and their health insurance, leaving them open to drastic cuts in public services, all of which will further decimate their neighborhoods in cities like Detroit, Flint, Chicago and others. Our response to this crisis must be expanding the base for CHALLENGE and PLP among auto workers, while moving them into action against the system.

The more the UAW leadership allies itself with the bosses, the worse things get for the workers. With mass layoffs industry-wide, GM, Ford and Chrysler workers can unite with Toyota, Honda, Mercedes and BMW workers facing the same attacks. We can also reach out to millions of workers in parts-supplier plants, union and non-union.

But that won’t come from the UAW leadership that rides on the same corporate jets to sit beside their masters and beg for a bailout. We can form unemployment committees in our local unions and shops and unite across borders and across company lines.

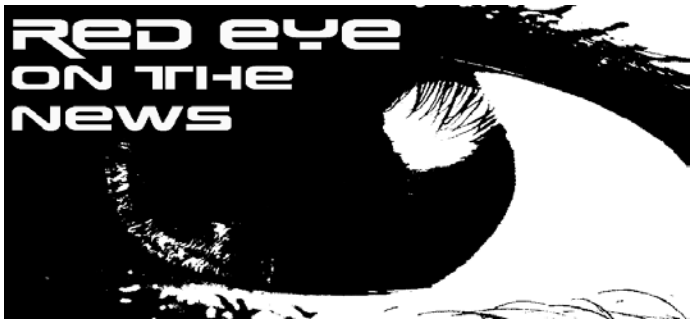
Three million jobs are tied to the auto industry

as well as the pensions and healthcare benefits of almost one million retirees. All this is at risk as GM burns through over \$2 billion a month in cash reserves, having lost \$20 billion from January to September. If GM goes under, it could take Ford and Chrysler with it, raising the possibility of a “foreign-owned” auto industry, as in Mexico and Canada. What was unthinkable a year ago is now possible.

Also, U.S. auto makers are not as critical to war production as they were 70 years ago. A “defense” industry has emerged with companies like General Dynamics, Navistar, Boeing, Northrop Grumman, and Lockheed Martin at its core (Chrysler sold its tank plant to General Dynamics about 20 years ago). GM, Ford and Chrysler produce no weapons of war now, despite decades of U.S. military aggression. In a future World War against a major imperialist rival, many “foreign-owned” auto and supplier plants could be converted to war production virtually overnight.

If there is a bailout, it will likely come as the new Obama administration guts the basically worthless auto contracts. SUB pay (Supplemental Unemployment Benefits) is almost sure to go, and wage-cuts are imminent like those imposed on the parts suppliers, especially the bitter three-month strike at American Axle.

While some bosses may perish, the racist profit system will survive. We have no interest in waving the bosses’ flag or sacrificing for their profits. We need to fight back and refuse to pay for the bosses’ crisis, while building a mass, international PLP to lead the fight for communist revolution. ✪



Below are excerpts from mainstream newspapers that may be of use for our readers. Abbreviations: NYT=New York Times, GW=Guardian Weekly, LAT=Los Angeles Times

Capitalism killing our globe

NYT, 11/14

A noxious cocktail of soot, smog and toxic chemicals is blotting out the sun, fouling the lungs of millions of people and altering weather patterns in large parts of Asia.

The byproduct of automobiles, slash-and-burn agriculture and coal-fired power plants, these plumes are most pronounced in Asia, where brown clouds are dramatically reducing sunlight and leading to decreased crop yields.

Obama an ambidextrous virtuoso

NYT, 11/22

President-elect Barack Obama won the Democratic nomination with the enthusiastic support of the left wing of his party....Now, his reported selections for two of the major positions in his cabinet — Senator Hillary Rodham Clinton as secretary of the treasury and Timothy F. Geithner as Secretary of the Treasury — suggest that Mr. Obama is planning to govern from the center-right...

“This is the violin model: Hold power with the left hand, and play the music with your right,”

Long Afghan war still ahead

NYT, 11/23

No one involved believes that the war in Afghanistan and Pakistan’s northern territories can be fully won, or even transferred to Afghan and

Pakistani hands, by even the end of President Obama’s first term.

The war will intensify, and virtually all of the additional burden will be borne by the United States.

The ‘Big Steel’ is GM plan

NYT, 11/23

A few years ago, an industry whose history and mythology were indelible parts of the American identity was dying. The great steel mills’ . . . retirees greatly outnumbered the actual workers..

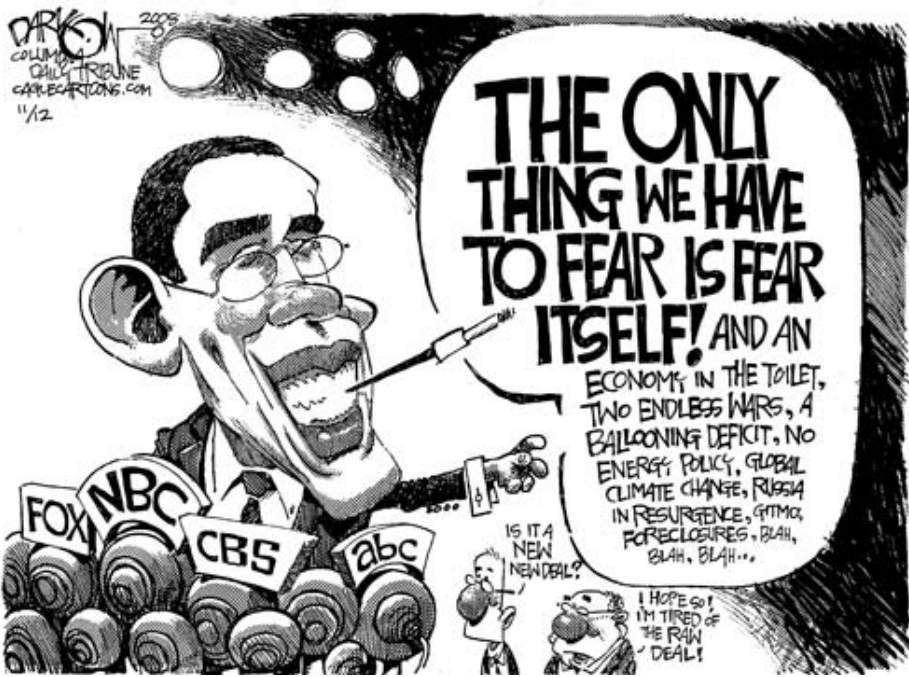
All these retirees had good pensions and good health care plans which they thought were guaranteed...Bankruptcy changed the rules, allowing the steel makers to unload billions of dollars in pension obligations...and to cut more than 200,000 workers from their supposedly guaranteed medical care.

The failures also allowed for renegotiation of labor contracts...Steel’s turnaround was dramatic.

Agencies rob the most vulnerable

NYT, 11/22

About half the employment agencies licensed in New York City have systematically swindled the



city’s most vulnerable job seekers... Many of the clients were immigrants looking for restaurant, domestic and manual-labor jobs as a “first foothold in the work,,” the mayor said.

The most common violations included demanding illegal upfront payments and withholding refunds from clients who did not receive jobs...The many of the victims were unaware of their rights or were [undocumented] immigrants afraid to report violations.

Influential docs take drug co. \$

NYT, 11/22

Dr. Charles B. Nemeroff, an influential psychiatrist who was the host of the popular NPR program “The Infinite Mind” earned at least \$1.3 million from 2000 to 2007...Dr. Joseph Biederman of Harvard, whose work has fueled an explosion in the use of powerful antipsychotic medicines in children, had earned at least \$1.6 million from drugmakers...

“We know the drug companies are throwing huge amounts of money at medical researchers, and there’s no clear-cut way to know how much and exactly where,”

FALLING RATE OF PROFIT HITS WORKERS IN THE HEAD

The strike at Boeing Aircraft and other recent industrial actions show both the power of the working class, and the real value of our labor to the bosses. A four-week strike in 2005 probably cost Boeing at least \$700 million in profit (Seattle Times, 9/29/08). An eight-week strike in 2008 ran Boeing over \$2 billion in losses. Our ability to shut down production there gives us a small taste of the potential of the working class to lead society. However, strikes alone can never fulfill a vision of liberation from rule by a tiny minority of bankers, bosses, and investors.

Only through communist revolution can workers achieve an alternative to capitalism. The greatest limitations workers all over the world face today are political, the belief that we have no alternative to living under the bosses rule. However, more workers are looking for answers to the cause of the current economic crisis. Analyzing the political economy of capitalism, and connecting those ideas to specific events at the point of the class struggle, can move our class forward.

Productive labor creates all wealth in capitalist society. The bosses' media and schools constantly prattle that advances in workers' standard of living emanate from the "free market." In reality, the free market today means bosses are gambling with riches they have stolen from us. During the last two "booms," popular culture taught us to idolize and imitate speculators (Who Wants to Be a Millionaire; Deal or No Deal).

The current financial crisis is a product of basic laws of capitalist economics. Since the 1970s, instead of investing in more factories, U.S. banks have led the vastly increased speculation in stock and bond markets. Karl Marx discovered long ago that, as capitalism matures, the rate of profit, i.e. the amount of profit per dollar invested, tends to fall.

Because capitalism is a competitive system, each boss must try to produce things more cheaply than the next one. Individual capitalists save money by introducing more machinery into production, thereby reducing the number of workers. Other bosses in the same industry are then forced to automate in order to keep up. The result for all bosses and the investors who back them is a much higher amount of money sunk into technology, resulting in a lower rate of profit.

According to economist Robert Brenner, profit

rates at U.S. non-financial corporations in 2000-2006 were one-third lower than in the 1950s and 1960s. On a global scale, there were large drops in the rate of profit in industrial economies after the late 1960s through the early 1980s. The basic trend, with some minor upturns, has continued through the present. This has come as rivalries between major industrial powers have grown.

Capitalists typically use several methods to try to avoid the tendency of the rate of profit to fall: 1) In a crisis, more and more factories are closed; the weaker firms are taken over by the stronger ones, temporarily giving the bigger fish more of a global edge (e.g. GM taking over Chrysler); 2) increased exploitation of the whole working class (the decline in real wages in the U.S. since 1973 and increased cutbacks in benefits); and 3) greater use of racism, to super-exploit a section of the working class (e.g. increased use of immigrant labor in basic industry).

The bosses also try to counteract the falling rate of profit by investing in the "developing" world. They are able to do this because of uneven development under capitalism, i.e. the vast levels of inequality that exist. This allows them, for a time, to extract larger amounts of value from these more exploited workers. However, this only gets them so far. Class struggle is a given under capitalism; workers always fight back, putting upward pressure on labor costs. Also, local bosses resist imperialist attempts to take over labor markets in "their" countries. For example, China recently required all foreign companies to allow Chinese "Communist" Party-led union organizing.

The main thing driving events in the world today is the fight between rival imperialist powers. For example, competition in the banking industry has been fierce. In 1999, Clinton signed the repeal of the Glass-Steagall Act, the Depression-era law that had separated investment banking, commercial banking and insurance business. U.S. banks saw this law as the last barrier to them expanding into areas of speculative investment that were wholly unregulated. Europe had already removed that separation for many of their banks. To maintain their competitive edge, U.S. bankers decided their government also had to get rid of it (Obama economic adviser Robert Rubin and McCain economic adviser Phil Gramm were key players calling for the repeal).

In the end, billionaire bankers and investors were forced to turn into players at a gigantic gambling casino. They turned to more and more exotic investments in order to try to maximize their rate of return. In the late '90s it was the "dot-com boom" and now it is "collateralized debt obligations" and "credit default swaps." These latest attempts to profit off of an increase in paper wealth are far-removed from the value created (and stolen) through the production process. They are ultimately doomed to fail.

When that happens, the capitalists turn to their "final solution" to the falling rate of profit — war and world war. Wars destroy large amounts of pro-



GM workers in Rosario, Argentina, refuse to pay for the bosses' crisis. They struck when the company fired 40 subcontracted workers. When the government forced them back to work on Nov. 10, the plant was militarized. The struggle continues.

ductive capacity, allowing the capitalists to start the cycle of development all over again. They also settle, temporarily, the imperialist fight over markets, labor, and resources that led to the wars. However, new rivalries will always arise.

The U.S. bosses' government, including McCain and Obama, claimed that if we didn't bail out the speculators to the tune of \$700 billion, "the system will collapse." Would that were true. Nothing short of a communist revolution can end the horrors of capitalism. After the revolution, we must do everything possible to ensure that the capitalists will never be able to reassert their control.

We say down with their system of rewarding those who create no value, serve no useful purpose, and hedge their bets with value stolen from our labor. Communist revolution will put these profiteers and their political henchmen under the ground, and lay the groundwork for a society where useful labor will serve the collective good.☺

SNAKE OIL

Collateralized debt obligations are home mortgages bundled together in large groups and sold by mortgage companies and banks to investment banks or other institutions, who in turn usually sell packages of these mortgages to hedge funds, pension funds, and overseas banks.

A credit default swap is an insurance contract between two parties. The first party "buys" the swap in order to protect against the possibility of default in payment on a bond or other promise of payment, and the second party "sells" the swap by taking payment in return for a guarantee of the bond or other promise of payment should the institution issuing the bond fail to make good on it.

Grand Theft Capitalism

Capitalism is based on production of commodities. Each commodity "satisfies human wants of some sort or another" (Marx, Capital Vol.1) Each commodity has a "use value." "Use-value" is the measure of the utility of any particular commodity in satisfying those wants. For example, a loaf of bread has value as a life-sustaining source of food.

Like other commodities, labor power has a use value. This is because labor power is uniquely capable of adding value to raw materials in production. From this new value, the capitalist who buys the labor power pays the lesser part to the worker in wages, and keeps the greater part as surplus value. Surplus value is the source of all capitalist profits.

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