PERIODIGO EN ESPAÑOL ADENTRO

THE REVOLUTIONARY COMMUNIST NEWSPAPER OF PROGRESSIVE LABOR PARTY

volume 45 no. 3

January 30, 2013 suggested donation \$0.50

South Africa's Apartheid Hangs On:



WESTERN CAPE PROVINCE, SOUTH **AFRICA, January 12** — Thousands of farm workers toiling in this area's vineyards and on grape and fruit farms have been wildcatting since October 30, demanding doubling of their starvation wages. The region is of huge financial importance to both wine production and tourism, but the farm workers still feel the brunt of Apartheid abuses, which is netting huge profits for the vineyard owners, in a \$3.3 billion industry.

The strikers have clashed with bosses, scabs, private security goons and the police who have fired rubber bullets at the workers and called in helicopters for reinforcements. But the workers have answered back.

In the town of Grabow the strikers armed with clubs have been fighting running battles with riot cops. They have barricaded key highways to cause maximum disruption and to prevent scabs from getting to the farms. It

was only when they set fire to bushes, caravans, bulldozers and police cars that the government began to pay attention.

The strikers blocked the major highway running through DeDoorms, hurling stones. The town is in the center of one of the biggest vineyard areas producing for the grape export industry. On January 9, the wildcatters burnt tires and cars and threw stones at the police firing tear gas and rubber bullets. The battle closed the main highway linking Cape Town and Johannesburg.

The workers are demanding a wage hike to \$17.65 per day, more than double their current \$8 daily wage. One worker told Reuters he had worked on the farms since the 1970s when the daily wage was 45 rand [\$5]. "Now we get 65 rand [\$8]. What is that?" he said. "We want 150 rand [\$17.65]."

A strike leader, Shaun Janca, told the

continued on page 3



NEW YORK CITY, January 16 — The worldwide capitalist system is facing an economic crisis that the bosses are trying to solve on the backs of workers. Here, this means high unemployment, hospital and school closings and attacks against many of the few remaining good-paying jobs. Therefore, it's significant that 8,800 school bus drivers and matrons are striking against cutbacks by New York's ruling class.

Billionaire Mayor Bloomberg and Chancellor Walcott pretend to care about students, but their lies shine through, given that they've slashed the budget for public schools. Furthermore, Bloomberg has overseen attacks on city workers, higher transit fares and less funding for hospitals — all of which means that the entire working class will suffer. Meanwhile the city spared no expense in getting Wall Street back up and running after hurricane Sandy. In this context, it's a great thing that bus drivers and matrons are standing strong.

This strike should be viewed as a good thing for students. When workers stand up and resist, we are teaching young people about the importance of not accepting capitalism's injustices. A school bus strike has not occurred in NYC since 1979. When workers don't resort to strikes, it only encourages the bosses to take more from us. Only when we strike do we force them to recognize our importance, that it's we workers who produce all value. And we remind ourselves and the next generation of our potential power.

It is no mere coincidence that the city government's attempt to open up city contracts affects mainly black and Latino workers and students. Capitalism's racist nature means that in times of crisis it is black and Latino workers who suffer

continued on page 7

JOIN THE INTERNATIONAL FIGHT FOR COMMUNISM

Chicago: **Rebellion Forces Cop Retreat After Racist Murder** page 3

Haiti: **Mass Protests** for Workers' **Demands Defy Police Attacks** page 4

Palestine: Aim Weekly Actions At Israeli Cops' **Fascist Terror** page 5

Fiscal Deal: Rulers Sharpening their Knives; **Workers Pay for Bosses' Wars, Crises** page 8

Hagel Is No Peacemaker

Obama's New Pick for 'Defense' Means Wider War

By choosing Chuck Hagel as his Secretary of War to head the U.S. killing machine, Barack Obama is intensifying a dogfight among bosses over war policy. The same struggle recently did in Obama's beloved General David Petraeus and was an underlying issue in last November's election. Neoconservatives are seeking to make war "on the cheap" (reliance on drones and special forces instead of heavy troop deployment). They are fixated on Iran's threat to Israel. Obama's camp, by contrast, is focused on longer-haul preparation for a broader global conflict. The neocons' latest volley is a phony charge of anti-Semitism against Hagel, who has questioned whether the U.S. ruling class is best served by giving Israel a political blank check in its war of occupation against the Palestinians.

Meanwhile, the liberal New York Times (1/10/13) claims that Hagel, who was wounded in Vietnam,

OUR FIGHT

★Progressive Labor Party (PLP) fights to destroy capitalism and the dictatorship of the capitalist class. We organize workers, soldiers and youth into a revolutionary movement for communism.

★Only the dictatorship of the working class — communism — can provide a lasting solution to the disaster that is today's world for billions of people. This cannot be done through electoral politics, but requires a revolutionary movement and a mass Red Army led by

*Worldwide capitalism, in its relentless drive for profit, inevitably leads to war, fascism, poverty, disease, starvation and environmental destruction. The capitalist class, through its state power — governments, armies, police, schools and culture — maintains a dictatorship over the world's workers. The capitalist dictatorship supports, and is supported by, the anti-working-class ideologies of racism, sexism, nationalism, individualism and religion.

*While the bosses and their mouthpieces claim "communism is dead," capitalism is the real failure for billions worldwide. Capitalism returned to Russia and China because socialism retained many aspects of the profit system, like wages and privileges. Russia and China did not establish communism.

★Communism means working collectively to build a worker-run society. 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." Capitalism uses racism to superexploit black, Latino, Asian and indigenous workers, and to divide the entire working class.

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

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

★Communism means that the minds of millions of workers must become free from religion's false promises, unscientific thinking and poisonous ideology. Communism will triumph when the masses of workers can use the science of dialectical materialism to understand, analyze and change the world to meet their needs and aspirations.

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

PROGRESSIVE LABOR PARTY

P.O. Box 808 Brooklyn NY 11202
• www.plp.org

 $\bullet \ email: desafio.challenge @gmail.com\\$

• blog: challengenewspaper.wordpress.com

CHALLENGE/DESAFIO (ISSN 0009-1049) published bi-weekly by Challenge Periodicals. One Year: \$15. Six months: \$10. Send address changes to CHALLENGE Periodicals, GPO Box 808 Brooklyn, NY 11202, January 30, 2013. Volume 45, No. 3



"harbors a healthy skepticism about deploying American troops." Hagel's great sin in the neocons' eyes is failing to push for a U.S.-Israeli strike on Iran. It's not that the former U.S. senator has any aversion to bloodshed, however. Like Obama, Hagel represents the dominant finance wing of U.S. capitalists, a faction that believes the survival of its class will ultimately hinge on winning an all-out struggle with China or another imperialist rival.

Hagel currently chairs the Atlantic Council, a think tank that helps develop foreign policy for the benefit of its imperialist bankrollers. Topping its donor list are Exxon Mobil, Chevron, Shell, BP, Citigroup, the Rockefeller Family Trust, George Soros, NATO and the Defense Department.

Last month this outfit issued a report titled "Envisioning 2030: U.S. Strategy in a Post-Western World," which takes a close look at Asia and particularly China. The paper urged Obama to "frame second-term policies from a more strategic and long-term perspective, recognizing...the likelihood that the United States' actions now will have generational consequences." To the Atlantic Council, "opposition to any hegemon or hegemonic coalition dominating the Eurasian landmass" is the top priority.

Targeting Capitalist China

The report specifies that prime strategic concerns for the U.S. include "China's military build-up (12 percent annual increase in defense spending since 2000) and lack of transparency; diplomatic differences (e.g., Syria, Iran, North Korea); and China defining its 'core interests' in East Asia with an 'antiaccess, area denial' strategy that would conflict with U.S. freedom of navigation and, over time, displace the United States in East Asia."

Hagel & Co. pretend to hope for "deepened cooperation" with China. But they also acknowledge a "historic pattern of a rising power posing a strategic threat to the status quo. If this pattern holds true with China, and "the United States-China relationship becomes more competitive than cooperative...this could be catastrophic for the world....Conflict will be difficult to avoid."

Why Articles Are Not Signed

The fact that CHALLENGE/PLP articles are not signed grows from PLP's criticism of the cult of the individual in the former socialist Soviet Union and China. We do not want to encourage the possibility of building up a "following" around any particular individual. While an article may be written by one person, the final version is based on collective discussion and criticism. Many times this collective discussion even precedes an individual's writing of an article.

Addressing China's vast troop superiority, the Atlantic Council thinks the U.S. is already on track toward mustering sufficient cannon fodder: "China's growing strength and assertiveness has, in effect, helped the United States galvanize a potential coalition of allies and partners, including Japan, South Korea, Australia, Vietnam, the Philippines, Indonesia and India to check Chinese power." As an "ace in the hole," Hagel's "Envisioning 2030" features a spreadsheet emphasizing the huge U.S. advantage over China in nuclear weapons. (It warns, however, of Russia's near nuclear parity with the U.S.).

In choosing Hagel to head the U.S. war effort, Obama represents the interests of Exxon, Rockefeller and Soros. Anti-Hagel forces are led by Israeli-U.S. casino magnate and publisher Sheldon Adelson, who spent nearly \$100 million in campaign donations in a fruitless effort to defeat Obama last year. "The Republican Jewish Coalition, on whose board of directors Mr. Adelson sits, was among the first to criticize the Hagel nomination" (NYT, 1/13/13). A close friend of Israeli premier Benjamin Netanyahu, Adelson is hell-bent on U.S.-Israeli bombardment of Iran's nuke sites.

But the Hagel crowd fears that an attack on Iran will only entrench the Ayatollah and intensify anti-U.S. feelings among Muslims. Israel's gutter-racist rulers are a growing liability for the Hagel-Rockefeller faction. "Envisioning 2030" mentions Israel only in the context of a Palestinian problem that will endure through 2030.

Hagel in the Imperialist Mold

In boosting Hagel, liberal Time Magazine (1/8/13) tellingly evoked U.S. leaders of the last world war: "FDR, Harry Truman, and Dwight D. Eisenhower were men whose judicious application of American blood and treasure flowed from an appreciation of the country's political, economic and military limitations as well as its potential....Hagel is a man very much in the mold of those mon"

These three presidents, respectively, put 16 million U.S. workers in uniform during World War II; dropped genocidal atom bombs on workers in Japan, and led the U.S. invasion of Europe. As Exxon heir Senator John D. Rockefeller IV said of Hagel, "This is the type of proven leader we need at the Defense Department." Retired General Colin Powell, creator of the military doctrine for "overwhelming force," gushed on NBC-TV (1/13/13), "He will fight a war if it's necessary, but he's a guy who will do it with great deliberation and care."

It stands to reason that Hagel will "deliberately" scrap useless Cold War weaponry, using the money to develop more advanced weapon systems to fight future wars. He will also back Obama's Dream Act in order to funnel an influx of Latino immigrant youth into the

continued on page 5

Rebellion Forces Cop Retreat After Racist Murder



CHICAGO, January 3 — Racist police terror is a tool of the bosses to keep workers under control. Cops only serve and protect the capitalist class. On December 15, the Chicago kkkops shot and murdered 23-year-old Jamaal Moore. After crashing Jamaal's car, the cops shot the young man twice in the back — all while the entire community watched in horror.

CPD (Chicago Police Department) claims he was involved with an armed robbery. Yet Jamaal was

unarmed. His "gun" turned out to be a flashlight. The police murdered Jamaal in cold blood because capitalism does not value the lives of workers. These racist cops will continue to get away with murder until we smash capitalism and establish a communist society run by and for the working class.

This racist murder did not go unanswered; a rebellion ensued as residents threw bottles, bricks, rocks and whatever they could lay their hands on. They smashed police car windows and forced the cops to retreat. After Jamaal was murdered, the community made a memorial at the scene, which the CPD have torn

down multiple times. One plan of action is to rebuild the memorial and add to it during our weekly rallies.

In response to Jamaal's murder, PLP has been holding weekly rallies and CHALLENGE sales on the corner where Jamaal was gunned down. We have met dozens of workers who witnessed the police killing and are furious at the constant harassment and mistreatment they face from these racist police. We are

in contact with workers who are eager to organize for a better world because they recognize that this system has nothing but misery to offer. One young worker said, "We are like prey out here." We are organizing these workers to continue the fight-back that they started and advance the struggle with the communist idea to take state power away from the bosses who use the police to brutalize and murder our class. We recognize that police murders occur not only in the black and Latino neighborhoods of Chicago but also worldwide. In 2012 alone, thousands of families have been victimized by these racist killings, including:

Manuel Diaz (Anaheim, CA) Stephon Watts (Calumet City, IL)

Reynaldo Cuevas (Bronx, NY)

Shantel Davis (Brooklyn, NY)

Damael D'Haiti (Port-au-Price, Haiti)

Ramarley Graham (Bronx, NY)

These crimes by the police must end, but the racist court system will never bring us the justice we need. We must give everyone, not just the few, a chance at a better life. Only through struggle and communist revolution will this change.

PLP is helping to lead fight-backs against the police and the rich masters they serve. Racist terror is an integral part of capitalism; it is how the bosses keep us workers divided, scared, and submissive. Exploitation, racism and sexism are intrinsic to capitalism. In a communist society those things would be illegal and punishable. PLP is organizing workers to destroy this system to replace it with a communist society.

Algeria: 'We're fed up!' Workers' Wildcat Shuts Postal System

ALGIERS, January 11 — Ninety-five percent of Algeria's postal workers are defying the government and continuing their illegal wildcat strike for the twelfth straight day. They're demanding the firing of both the general director of Algérie Poste and the general secretary of the official trade union, an affiliate of the General Union of Algerian Workers (UGTA).

The strikers are demanding payment of a 30% wage hike due since January 1, 2008; payment of overtime hours worked in 2011; respect for all the demands won in their June 2011 strike; payment of the 2011 bonus; a wage raise and an investigation of Mohamed Laid Mahloul's mismanagement, particularly of the promotions granted since he became general director. Eighty percent of the 30,000 postal workers say they've not received promotions due them.

The postal strike could seriously affect the functioning of the nation. Over two million retirees receive their retirement checks through the postal service. Some 13 million people of the country's 34 million bank at the postal offices.

On January 10, post offices remained closed, without even minimum service. Strikers ignored repeated calls by the UGTA, the only union the government recognizes, to return to work. Promises by the minister for the postal service to carry out the January 7 agreement between the government and the UGTA fell on deaf ears.

"We're fed up with 'we're going to do this, we're going to do that.' It's been going on for years, and today, we want something concrete and not press releases," a striker shouted at a January 10 rally outside the Grande Poste, an Algiers landmark.

A strikers' committee is supposed to meet with ministry officials on January 12 but the minister won't be there. "No, he doesn't have the time," the workers said. "He prefers to go to the Club des pins [the exclusive, tightly guarded Algiers luxury beachfront]."

People who believed the false information about the strike's effect broadcast by national and local radio stations were frustrated at finding the Ain Defla city post office closed, but they expressed their solidarity with the strikers and held the government responsible. One person shouted: "They should give the workers their rights and stop penalizing the users!"

On January 9, hundreds of postal workers from every corner of Algeria demonstrated in front of the Grande Poste, chanting "We are workers, we are not thieves!" Workers were continuing their sit-in. Strikers were waving signs and engaging in lively discussion with the public.

"By manipulating the media and public opinion, they're setting the citizens against us," a 40-year-old postal worker said indignantly. "Management makes us seem irresponsible and lazy!"

The postal ministry and the UGTA keep saying the conflict is "settled, that "major advances have been chalked up" and that demands will be met, but the strikers view these as empty promises since government ministers are implicated in widespread corruption while enjoying total immunity. That's why postal workers insist that the corrupt general director of Algérie Poste and the corrupt general secretary of the postworkers' union resign.

The strikers refuse to be bought off with the January 7 agreement that granted the 2011 bonus, promotions due them and a \$382 "encouragement" bonus if the workers returned. They have been lied to time after time.

The militancy and defiance of the government by the wildcatting strikers is to be applauded. Their walkout and resulting shutdown of the postal service only proves that without the working class capitalism cannot function. But since the capitalists hold state power, any reforms the strikers do win are subject to be taken away, whether through higher taxes, layoffs or privatization or any of the myriad of ways the bosses can manipulate their system.

As long as the profit system exists, workers will find themselves in a continuous struggle to keep their heads above water. Only the complete destruction of this hellish system and creation of a worker-controlled society — communism — will free the working class from this exploitative treadmill.

Late Bulletin, January 13 — Strikers ended their 13-day strike, winning their retroactive pay hike, providing for promotions based on the work they actually perform, integration of the annual bonus into the union contract and provision for early retirement on substantial pensions.

Armed Farm Workers Strike

continued from front page

Daily Maverick, "We work our whole lives but still we have nothing."

The area is one of the most affluent and financially viable produce areas in the country but pay the workers hunger wages. An August 2011 report from Human Rights Watch detailed the horrendous working and living conditions practiced by local farm owners: housing unfit for living; exposure to fertilizers and pesticides without proper safety equipment; lack of access to water while working in dehydrating conditions; lack of toilet facilities; threats of evictions and pressure on workers to stop them from joining unions.

The bosses also hire immigrant workers from outside the country who often don't have passports. This enables profit-hungry farm owners to super-exploit a vulnerable migrant labor force and set them against local workers.

This uprising follows on the heels of widespread strikes of platinum miners and truckers who suffer from similar conditions and battled for some of the same demands several months ago, seeing the cops murder 34 of their brothers. South Africa is seething from the continuation of the Apartheid of the old white regime that is now run by the African National Congress government. Black oppressors have joind white ones and capitalism's racist exploitation reigns on. A strike leader told the BBC that they have been met with nothing but "naked racism and white arrogance."

Such militant struggle by these farm workers needs to be turned into class struggle against the whole racist capitalist system to emancipate the working class from the hell of the profit system.

Rx at Downstate: Strike to Stop Hospital Closing



BROOKLYN, NY, January 6 — Last year was one of struggle for workers at the State-run Downstate Medical Center, and 2013 will be another. We need to win thousands of workers, patients and working-class residents of our communities to fight back against the bosses' plans to close hospitals and schools and save money on our backs. New York's Governor Cuomo has already claimed that there's "no money." That's why they plan to shut down or privatize this hospital, which serves a mainly black and Latino working-class community and provides more than 8,000 jobs.

The leaders of the three unions at Downstate won't lead that fight. They aren't interested in fighting the bosses. They prefer to be on their side and they pin their hopes on making deals with politicians. One of the unions, CSEA, even agreed to a contract that gave no raise for 2011 or 2012, and only a "bonus" for 2013. It took away nine days pay while imposing higher deductions for health care. Despite that deal, there have been 400 layoff letters, and 600 more are on the way. So much for relying on the politicians.

But we, the workers, have recent examples, such as the Chicago teachers' strike, where workers, students, parents and the community united to grow the capacity and potential of the workers. At Downstate we have to place ourselves on red alert, and stand up and fight against the layoffs and the passivity of the unions. The fight can give us what the boss wants to take away.

The U.S. capitalists are trying to squeeze from workers the cost of the bosses' battle with other

imperialists for "top-dog" status in the world. But that doesn't mean they are broke. They are happy to spend money on themselves. They say there's no money to maintain the hospital, but they've given out contracts for new buildings. The administrators' salaries used to reach \$500,000 a year — but now they've gone up to over \$700,000! There's money. We the workers, provide the state with taxes. We pay for everything, including their wars. When politicians make deals to make each other rich, that is our money, too. We are paying the money that could maintain our hospital and our jobs — but it is being used against us. The bosses never have been, and never will be interested in solving our problems. Let's remember that all the benefits we have are a product of our fight; nothing has been given to us by the bosses.

But to change all this, we must do more. We have held protests with the community, students and patients. Hundreds have signed up for a protest in Albany January 8th. But we need more: A permanent campaign, with weekly protests in the entrances of the hospital and around it, forums, talks and preparation for a strike to stop the closing.

In the long run, the working class needs much more. Capitalists don't care about our health. PLP fights for class consciousness, for workers understanding and acting as a class against our enemy, the bosses. We must organize workers to once and for all destroy this system of misery, and to build a new society, run by workers, which will make healthcare a priority. JOIN US!



Haiti: Mass Protests for Workers' Demands Defy Police Attacks

PORT-AU-PRINCE, December 12 — Students, teachers, and other members of the working class here continue their struggles against violence, injustice, insecurity, unemployment, cholera, occupation, and the outrageous wasting of government funds. They are organizing sit-ins, press conferences and marches to wrest a response from the rulers. The teachers continue to mobilize for better working conditions and a salary that meets their basic needs. Sometimes all these forces meet together — an idea of how it will be when workers everywhere are united under a single flag for revolution.

Since November 13, date of the 10,000-strong demonstration, high-schoolers, teachers, professors, workers and other social organizations have taken to the streets to denounce the system and demand better living conditions. College students have organized many mass activities to keep up the struggle against the bourgeois government, uniting in a general assembly of several campuses to mobilize more forces and build a university-wide base. They are linking up with workers' and other organizations to plan joint organized actions, like several street demonstrations here.

The government constantly attacks the demonstrators. The police and United Nations occupying force MINUSTAH troops fire on and tear-gas the crowds. There are new victims, killed by bullets. Plainclothes agents in state vehicles fire on students and demonstrators. Student and other demonstrators respond to these attacks with their usual shout, "We are not afraid!" Students have been arrested on false pretenses. They are all accused of being window-smashing vandals, and yet they are arrested on the streets where they live or in places where there have been no such incidents. Students, teachers, PL'ers and professors then organize and free these arrested students. The unity of the working class is always a powerful weapon against the injustice of the ruling class and its state.

Among other things, students and others are taking up a struggle against the authorities in Mirebalais [town in the Central Plateau, near the base of the MINUSTAH soldiers who brought cholera to Haiti in October 2010]. The troops hung flags of the European Union in a location which used to bear the name Avenue of the Martyrs because it was the place where the European colonialists sold and killed slaves. Now the authorities want to change its name to Avenue of Europe and fill it with flags of the EU.

The students bought Haitian flags and replaced and burned all the EU flags, defacing the name which these authorities had inscribed on the wall of the entrance. To intimidate them, the government sent police armed with tear gas and heavy weapons. A score of them resisted every attempt at violence by these officers of crime. Eight of them were brutally arrested. Under pressure from other students and PL'ers who supported their struggle, they were released one day later.

This struggle shows how the imperialists seek at all costs to make us forget the past. Yet the real alternative to imperialist flags, past and present, is not the nationalist flags of the capitalist present but the internationalist red flag of the communist future. What workers in Haiti and all around the world need is a society run for the benefit of all, not for the profits of a few

December 5th was marked by two demonstrations, one by students and the other by laid-off public-sector workers who for years have been leading a fierce struggle to demand justice. These two marches met and joined forces, taking the road to a higher class unity. The struggle continues.



Aim Weekly Actions At Israeli Cops' **Fascist Terror**

JERUSALEM, PALESTINE, January 4 — Working-class activists from all over Israel-Palestine, both Jewish and Arab, have visited the East Jerusalem village-neighborhood of Issawiyye to show solidarity with the locals in the face of prolonged police terrorism against the villagers. Today, fifty activists of the Tarabut broad-left movement came to demonstrate against this police brutality. Three PLers, as well as an activist from Tarabut came to show solidarity as well and visited the homes of several villagers whose sons and daughter have been brutalized by the racist Israeli cops.

Before the 1967 war, Issawiyye was an agricultural village on what was then the border between Israel and Jordan, on the Jordanian side. In 1967, Israel conquered East Jerusalem (as well as the entire West Bank and Gaza) and soon annexed the villages in East Jerusalem to its territory. The villagers have blue Israeli IDs and can vote in the municipal elections, but cannot vote in the national elections. Many of the villagers' lands were confiscated, forcing them to abandon agriculture and become low-paid workers for Israeli bosses in West Jerusalem

Contrary to what many Israelis believe (misled by the racist media), the residents of East Jerusalem pay taxes in full but do not receive any decent services from either the state or the municipality. In fact, even a small debt owed by the Issawiyye villagers to the tax authorities is met with brutal repression and repossessions.

The village's infrastructure is horribly substandard, with little sanitation and narrow, dangerous roads in terrible condition. The village's children have no facilities available for them except for the (under-funded) schools — no parks, no clubs, nothing to do after school. City hall never gives locals any building permits, and then charges them with "illegal construction" when they build homes for their children on their own land. This usually leads to house demolitions.

Adding insult to injury, the Israeli police terrorize the villagers, especially the youth. We visited the home of a 17-year-old who was recently jailed for eight days for "stone throwing" suspicions. No charges were ever submitted and the authorities have no clear evidence of any crime, but this did not bother the bosses' court. As the villagers have told us, "the moment the judge hears that the defendant is from Issawiye, he immediately prolongs the arrest."

Another youth, a 12-year-old who suffers from a tumor in one of his eyes since his birth, was arrested last month and interrogated so aggressively that his sick eye shed blood due to the stress he was in. No charges were ever pressed in his

Last June cops came to another family in the village we visited, broke their front door with a massive sledgehammer, arrested the family's father, his 21-year old-daughter and two more sons, beat them up and then charged them with "assaulting a police officers."

Last month again, the cops came to terrorize a group of village kids who were playing soccer. One 18-year-old young man, tried to escape the cops by climbing a wall. The cops shot him three times with "rubber bullets" (regular bullets coated with rubber to slightly reduce their lethality), causing him to fall from the wall. The cops grabbed him and took him to the police station, where he was severely beaten and his arm was broken by the fascist cops. He was then interrogated for long hours, and only after midnight was he brought to a hospital. When the cops heard that he needed to be operated on, they ran away as fast as they could to avoid blame.

Faced with this kind of fascist terror, it is natural that the village's enraged children throw stones, from time to time, on cops and people they suspect are undercover cops. This, of course, is used as an excuse by the cops, many of them undercover, to rampage through the village. We in PLP need to transform the youth's anger into revolt against the entire capitalist system these cops defend.

The villagers have sometimes been demoralized by years of police terrorism, but they are now trying to build local and international solidarity with their plight. The plan is to hold weekly demonstrations in the village to smash the racist KKKops and demand better infrastructure and services for the village. We in PLP will, of course, join these demonstrations and raise our red flag in them.

Undocumented Hunger Strikers Fight for Papers

LILLE, FRANCE, January 12 —

Today some 200 supporters rallied to back the 71-day hunger strike by 41 undocumented workers who represent the demands of 161 of their sisters and brothers for work papers for all. The action of these immigrant workers has exposed the utter disregard of the working class by the racist, "lesserevil" Socialist government which has refused to issue these papers. More support has come from other undocumented workers who occupied the royal cathedral in Saint Denis, a northern suburb of Paris, on January 9. The strikers initially occupied the Fives-Lille Protestant church but were evicted. Since then, about 40 have lived in a tent in front of Saint Maurice's church in downtown Lille.

racist Lille The prefecture (the central government's local representative) has hypocritically blamed the victims, mainly Algerian but also Guinean and Thai workers, for the processing delay, saying only five workers have filed "proper" requests for papers. But eligibility depends on filing eight pay stubs which is impossible since they have been working in the underground economy and therefore lack such proof.

It's the nature of capitalism which establishes national borders — mostly through wars with rivals — and then uses nationality as a weapon to divide and exploit workers. And President François Hollande's Socialist government, which enforces this profit system, uses this weapon to help maintain that system. That's why Progressive Labor Party champions the slogan "Smash All Borders!" and destruction of the system that creates

Interior Minister Manuel Valls said, "We aren't going to legalize 50, 100, 200, or 300 requests for papers because associations have engaged in an action." This is the same racist who as mayor of Evry in June 2009 complained that there were too many "non-whites" selling things at the local flea market.

The prefecture demands that the group, the "Collectif des sans-papiers du 59," constitute itself as a legal entity as a precondition for continued negotiations. A member of the Socialist Party first secretary Harlem Désir's inner circle said, "The party totally supports the government's immigration policy."

Meanwhile, the hunger strikers' condition worsens. Their number has fallen from 126 to 28. Three have been hospitalized. Two Algerian workers were deported after striking for 60 days. The undocumented workers have been drinking sugar water daily, and are now taking vitamins intravenously. One worker explained that he "was experiencing abdominal pain, lost a lot of hair and my teeth were crumbling. I lost 33 pounds in 49 days." Others have developed similar symptoms, including vomiting and diarrhea. "The health of many was already poor due to their living conditions as undocumented workers," said supporter Gérard Minet.

Nutritionists find it incredible that they've held out for over two months. One said, "You can't be certain that there won't be consequences afterwards. Beyond two and a half months, you're in danger of dying."

But the fact is capitalists don't care if these workers die. (UK's infamous Margaret Thatcher refusal to negotiate

with imprisoned IRA hunger strikers led to the starvation deaths of ten of them.) After all, their imperialist wars kill tens of millions. And their disregard for the health and safety of factory workers in the name of profits is all too well known, as the recent murder of garment workers in Bangladesh in fires in buildings with locked exits vividly

We fully support the aspirations of these undocumented workers and understand that hunger strikes call attention to the system's oppression. But given capitalism's view of workers as commodities to be exploited and then tossed on the scrap heap when they no longer can produce profit, hunger strikes are very limited in their ability to alleviate workers' suffering.

Workers must support the demands of these undocumented sisters and brothers but must also recognize that only the complete destruction of the system that creates these conditions and divisions can end this oppression. That's what the goal of communist revolution is all about.

LATE BULLETIN — January 14 The Lille undocumented workers ended their 73-day hunger strike yesterday following proposals made by the prefecture. Nine were granted papers and seven others' papers were in the works. One worker, Alouache, who had filed his request a year ago, said, "We will go for a health checkup. This is what we have to do to get papers."

Dogfight over Hagel Signals Battle Among Bosses

continued from page 2

military death machine with the promise of citizenship. The bosses are desperate to expand U.S. ground forces, which are absolutely necessary to hold a landmass in any future conflict.

Beware Rulers' Nationalist-Racist Barrage

To accomplish their aims, the rulers need the support of the U.S. working class that both fights the bosses' wars and produces the weapons required for them. To get it, they will intensify the barrage of racist and nationalist propaganda to defend "our" country against the U.S. bosses' rivals, currently China.

But the capitalists face problems in reaching their goal. Millions of black and Latino workers and youth are either incarcerated in prisons or victims of constant racist attacks by the police. They are impoverished by the capitalist system and especially by mass racist unemployment. They cannot be counted on to carry out the bosses' war plans.

Furthermore, the Great Recession has become a way of life in the U.S. The world economic crisis is even more devastating to masses of workers in the "coalition" countries the U.S. is counting on for cannon fodder for its global goals. How willing will those workers be to fight for U.S. imperialism?

Obama's domestic "four-year plan" involves more intense anti-immigrant policies — where funding already exceeds $the\,outlay for\,the\,CIA, FBI\, and\, DEA\, combined$ — alongside cuts in education, health care and wages. Hundreds of thousands of teachers have been laid off, with more to come. Insurance companies, HMOs and the big pharmaceutical firms are counting on the profits to be milked from Obamacare. Meanwhile, Obama has already agreed to cuts in Social Security and Medicare, on which millions of retirees depend. He also helped GM and Chrysler cut wages in half for newly hired autoworkers.

Upwards of 30 million workers in the U.S. are either jobless or can't find fulltime work. Millions of them will never find another job, an insoluble problem that is intrinsic to the bosses' system. Capitalism has full employment only when the rulers "employ" workers to fight world wars.

What Everyone Does Counts

Our class doesn't need another global conflict, however "careful" and "deliberate" the capitalists' war-makers are portrayed. What we need is the revolutionary communist Progressive Labor Party to lead class struggle against the capitalist bosses and build PLP into a mass party. What we do in the coming period is crucial in explaining our class why increased austerity, economic crises and war strategies are all that an imperialist system has to offer. Communist ideas historically have led the international working class to meaningful advances — whether in World War II, against Jim Crow racism, or in the mass unionization of workers in basic industries.

Our ultimate victory will come from winning masses of workers to understand that only communist revolution can destroy the bosses and their profit system and establish a worker-run society without these evils. To this end, what every one of us does counts.

LETTERS

One-day Wildcat Proves A Boss is A Boss is A Boss

I am a contract worker here in Tel-Aviv employed in housekeeping. I started a job under a new contractor in October. Initially, this was a better job than my last one, as it was a full-time job plus overtime, thus giving me a better salary than my old part-time housekeeping job. Now I work 50 hours a week and earn 4,600 ILS (equivalent to \$1,200) a month, better than my old 3,600 ILS (equivalent to \$950) monthly salary. I thought that now I could finally pay my bills and still have money for an apartment fit for a human being to live in!

But this contractor is no different from any other boss. He was late in giving me my salary, which I earned by the sweat of my brow. Of course, the bills still had to be paid on time. Twice already, in November and December, he paid me a week late and left me to deal with my bills with no wage. When he finally gave me my salary, it was in cash with no guarantee that my taxes, National Insurance (Israel's Social Security) and benefits (mandated by law) were paid.

I was not the only worker to face this slavery of unpaid work. All four of us working at the same office met and decided to take matters into our own hands. We decided to go on a wildcat strike for one day to show the scumbag that he'd better pay us if he wants the office cleaned. As I was the only worker who speaks Hebrew well (the others were Russian immigrants), the

manager directed all of her anger at me. She screamed at me in the most humiliating and inhumane way possible. She even threatened to fire me because I didn't silently accept this form of slavery.

I will continue to fight this exploiter, and all other capitalists, whether I stay at this job or I move to another one. There are no good bosses — all of them are rotten to the core and make a fortune out of our hard labor.

Housekeeping Worker from Tel-Aviv

Capitalism Can't Even Provide the Basics

What is wrong with a society that cannot even provide basics like food and housing? Everyone needs food to survive and housing to live in. The bosses have become so greedy that workers no longer even have the basics. People that have jobs are waiting in food pantry lines. At an entry-level telephone-interviewing job where I worked part-time, there were lawyers, doctors and even older TV announcers working for minimum wage. I don't know all their stories or how they got there. But there they were, not earning enough to rent apartments. Some of them live in overnight shelters.

Chicago's Cook County Hospital is no longer free. As a patient you will get a bill and will pay for your medicine. This hospital's mission was always to serve We encourage all CHALLENGE readers to send in letters and articles about their experiences fighting the bosses worldwide.

the poor. The poor are being forgotten by everyone. The "American Dream" was for people to own homes. Many people struggled to own homes and worked hard at keeping the house in order. I watched three homes in one block in my working-class neighborhood go into foreclosure. These families are now homeless and in the street. Our society needs healthcare and housing for all. Join the fight!

Anti-Capitalist

'Who needs the bosses? Nobody!'

I was on a picket line of about 60 people outside Millennium Carwash. We were demanding that a worker be rehired who management wouldn't take back. They suspected he was involved in a union organizing campaign in Los Angeles County. There were chants about the immediate issue and the campaign.

Then someone started a call and response. It went like this. "Who washes the cars?" "The workers wash the cars." "Who gets the money?" "The bosses get the money." "Who needs the workers?" "The bosses need the workers." "Who needs the bosses?" (pause.) "Nobody!"

Many people picked up on this chant and kept it going for quite a while. I think it's adaptable to many industries and situations. It expresses people's desire for a world without capitalist exploitation.

LA Red

Fighting Racists in the Class Struggle

"One alone his lot can't better. Either gun or fetter. Everything or nothing. All of us or none." Berthold Brecht

As a Progressive Labor Party member, I recently came across a 1976 CHALLENGE article I had written called, "Acting in the Class Struggle." It described some actions that took place among my fellow students in a retraining program we were in because our jobs had been closed down to prevent unionization.

I had just lost my job at a jewelry workshop in Pittsburgh where I had successfully led an organizing drive to join the jewelry workers' union. The boss, in order to destroy the union, closed the shop at the insistence of other, bigger bosses, whose shops in the same manufacturing building were also being organized. I was, consequently, out of a job and went into a government-sponsored retraining program run by Airco Technical School to learn welding.

We were to be paid a wage of \$80 a week during the 13-week course. Everyone had to sign a notarized contract swearing that we were not troublemakers, criminals, or communists. During the 13-week course, I was involved in about nine sharp trade union political struggles, which eventually led to a strike in the school. Two people became friends and although they never joined the Party, remained friends for quite a while. Three of the nine struggles are useful to retell because they show that 1) you can trust the working class, 2) you can struggle against racism among white and black workers, and 3) you can develop firm friendships from these struggles

How to Shut Up a Racist

We were learning welding on a factory floor with 40 or 50 small cubicles, each containing some welding equipment. There were only two toilets — which were filthy — and two small rooms with tables to eat our brown-bag lunches. There were two teachers for 72 trainees. I was in a group of 18 students. There were classrooms upstairs where we learned blueprint reading and theory.

It was difficult not to make friends and raise ideas. I got into lots of discussions, and soon most of my 17 classmates knew about my work in the Committee Against Racism, and a few knew I was a revolutionary. After four weeks, during a blueprint class Iull, a white young man shouted a racist joke about sickle cell anemia from the back of the room. I wanted to finish the course, but I couldn't listen to this kind of racism. I waited a few minutes for someone else to shout him

down, and nobody did. This was a very multi-racial class.

I spoke up, "Stop this disgusting racist filth! You're likely to get your head broke." A young man on the other side of the room told me that I'd better watch it. I told him that he'd better watch it too, "I'll say what I like to racist scum." At that point a black man sitting near me told the racists that I was right, and that he had better watch out. Soon a number of people, both black and white, spoke out against the racism. The fight was over. The rats had been cornered. Two days later, one young African-American man told me he'd name his new son after me.

Worker Against Vending Machine

During the next couple of weeks, a group of African-Americans usually congregated in one spot and a group of whites in another. I moved between the groups, bringing blacks into white conversations, and whites into black conversations. In this lunch area there were four vending machines that often stole some of our money and did not dispense the goods.

One day, a young white man put money into the soda machine, and got no drink. He got mad and started to kick the machine. Almost all of the 72 students were watching. Just then, the machine's owner walked in; his new Mercedes-Benz was parked outside. He began yelling "Get away from that machine. Don't touch it." Then he asked for the kicker's name. The student gave his name. The owner told him he would sue him or beat him up outside. Most students remained silent during all this.

Five minutes later the machine owner left and in walked the blueprint teacher who proceeded to insult everyone and told us, "Leave the machines alone or the owner will remove them." Nobody reminded the teacher about the machines' thievery.

Once again I hoped somebody would say something, but nobody did. I then explained to the teacher that he didn't understand the way capitalism works: "The capitalist gives us services, but if the machine keeps ripping us off and the workers smash the machines, another capitalist with new machines will come in to make more money." Conversations around the room stopped while everyone watched the blueprint teacher and me. The teacher told me that we still shouldn't kick the machine. I told him, "No man has any right to come in here and threaten a student." By this time he was getting irritated with me and told me take it easy. I said, "It probably would be best for me to shut up, but I have no intention of shutting up while a fellow student is being threatened."

At that point a black woman student came over to me, patted me on the back, looked squarely at the teacher, and said, "If he tried to touch anybody 80 people here would beat the sh-t out of him." The teacher stopped. Two days later, four new machines

came in. After that, they never stole money — except by their high prices.

The Power of Multi-Racial Unity

About three weeks before the end of the course, we were told that our minimum-wage pay that was due on Friday would not be paid until Monday. We staged a successful strike to get our pay.

The following day I was welding, and, after doing the weld, I went, as we all did, to show the welding teacher and ask for constructive criticism. He told me to get the f-ck away from him as he wasn't interested in me. "Boy, get away." I was 40 years old at the time.

About 10 people gathered around and told him he'd better tell me what I wanted to know because I was a student and he was a teacher. He asked me if I wanted to go outside. He was a very big fellow and could certainly have beaten the crap out of me. So I told him that if I went outside with him, I'd also bring a slab of steel with me to smash him with. "Anything to win," I told him. "You're crazy," he said. "Then you'd better watch out!" I said. The students who had gathered around were very sympathetic. They wanted to end the argument and told him, "Just show him what he wants to know." Seeing the multi-racial group of students ended his argument.

About ten days later, after a particularly nasty incident between a racist who was spouting filthy racist tripe about how African-Americans got "X" after their names. "They have to kill a white person," he said, "I read it in Life magazine." I started to explain to the young white workers who were listening to him with interest that some African-Americans had taken the X because they did not know their original African names, since all slaves were named by their slave-master. The racist shouted obscenities at me and started to swing at me. I backed away and told him he was still a liar.

Michael, one of the white strike leaders, grabbed the racist, told him to stop his BS, dragged him to his welding booth and pushed him in. By then around 15 people had gathered. The racist screamed that he was going to get me. He dragged out a 5-pound hammer and started to swing it around. Several people, black and white, moved towards him and he backed away. Dwayne, one of the young black workers said, "Do you have a gun in there?" The racist gave up. Another of the young white workers said, "We don't need any of that sh-t in here," and thanked me for telling the truth. He became one of my friends.

Class struggle exists all the time because of the contradictions between capital and labor. It takes many forms. You can either fight and become part of the solution, or you can give in and move closer and closer to fascism. It doesn't always require fists, or hammers, or anger. But it does require constant struggle. You can't make an omelet without breaking the eggshells.

Multi-Racial Unity Needed to Fight Gentrification

NEW YORK CITY, January 14 — Gentrification is a racist policy used by real estate profiteers, landlords, bankers, investors, educational institutions and government politicians to transform mostly black and Latino low-income neighborhoods into high-rent, mostly white enclaves. Landlords empty buildings, abandon them and declare neighborhoods "blighted."

Columbia University is currently building a satellite campus in Manhattan's West Harlem that will raise rents in the surrounding areas. Landlords spread racist lies, saying black and Latino tenants in low-income neighborhoods are "dirty" or "criminals," or that too many people and children live in the apartments and destroy property. Facing harassment, tenants move, seeking a better situation but where conditions turn out to be worse, crowded and neglected. The new neighborhood is often further from workplaces and has large numbers of unemployed.

The average price of condos here is 1.4 million dollars. Monthly rents run from \$2,000 to 10,000. Condo prices in lower and mid-town Manhattan can reach as high as \$90 million. Meanwhile 60 percent of NYC tenants earn \$50,000 a year or below, and 30% of those earn under \$30,000.

Such tenants are forced to flee these high-rent areas. Neighborhoods change, become "hip." Businesses cater to high-rent tenants, opening pricey markets and stores. Williamsburg in Brooklyn has been gentrified and now it's spreading to surrounding boro neighborhoods, especially Bushwick. Bushwick's white tenant population has grown by 19.7 percent. Agencies sometimes no longer rent to Spanish-speaking tenants. PL'ers are helping to build a fight-back in Bushwick. We must unite black, Latino, Asian and white working-class tenants.

Demand:

- · Only low-rent housing
- Turn vacant buildings into good low-income housing
- Take over expensive condo buildings and change them into good low-rent apartments
- Immediate low-income housing for families and individuals in shelters and for victims of Hurricane Sandy.

Lower rents now! Low-income families can't pay \$1,200 to \$2,600 and more in rent. There are thousands of multi-millionaires and scores of billionaires in NYC. Landlords and their agents are raking in obscenely high rents on the backs of the working class. Capitalism can not and will not provide decent affordable housing for the working class, only profits for the capitalists. We need to overthrow capitalism with communist revolution.

Communists believe that consciousness of how capitalism works is a powerful tool in the hands of the working class. We believe it's not for the working class to make reformist compromises with the capitalists. It's our job to unite and fight for what we need. The working class must be bold and purposeful.

Communists believe that, over time, workers will join PLP in ever greater numbers and build the fight for communism, a society in which the working class will hold all power. We will provide housing for the working class in an egalitarian society. To this goal we dedicate ourselves now in the fight against racist gentrification.

School Bus Strike — Drive Back the Bosses' Attack

continued from front page

the most. In employment, health care and education, racism acts to super-exploit a section of the working class. Bloomberg & Co.'s attempts to undermine bus driver/matron job security will make school bus companies places with higher turnover and unsafe conditions. The bosses hope this will then weaken unions and reduce wages.

Unfortunately, even if this strike forces the bosses to concede the workers' current demands, more fights lie ahead. No matter what gains unions and social movements achieve under capitalism, the bosses will always use their state power to take them back. This is because their system is inherently unstable and competitive. When the economy crashes, workers are expected to pay the price. The constant competition among the bosses in the U.S., China and Europe leads to wars worldwide over oil, markets and other resources. This then spells more cutbacks for publically funded workers here. This is the future that capitalism offers workers of the world: war and poverty.

That is why the Progressive Labor Party fights for communism. We want to build a world free of the bosses and their exploitation. We want to smash racism, the main tool of the bosses to maintain their power. As we encourage all New Yorkers to stand in solidarity with the striking bus workers, we invite you to join us.

RED EYE ON THE NEWS

Below are excerpts from mainstream newspapers that may be of use for our readers. Abbreviations: NYT=New York

GW=Guardian Weekly, LAT=Los Angeles Times

Biofuel profit brings world hunger

NYT, 1/6 — Guatemala City — In the tiny tortillerias of this city, people complain ceaselessly about the high price of corn. Just three years ago, one quetzal — about 15 cents — bought eight tortillas; today it buys only four. And eggs have tripled in price because chickens eat corn feed....

Recent laws in the United States and Europe that mandate the increasing use of biofuel in cars have had far-flung ripple effects...as land once devoted to growing food for humans is now sometimes more profitably used for churning out vehicle fuel.

In a globalized world, the expansion of the biofuels industry has contributed to spikes in food prices...in poor corners of Asia, Africa and Latin America....

Now that the United States is using 40 percent of its crop to make biofuel, it is not surprising that tortilla prices have doubled in Guatemala....

Guatemala's lush land, owned by a handful of families, has proved ideal for producing raw materials for biofuels.....

In a country where most families must spend twothirds of their income on food, the average Guatemalan is now hungrier because of biofuel development....

Roughly 50 percent of the nation's children are chronically malnourished, the fourth highest rate in the world

Labeling you 'obese' serves profits

NYT — The meta-analysis....ought to stun anyone who assumes the definition of "normal" or "healthy" weight used by our public health authorities is actually supported by the medical literature....

Adults categorized as overweight and most of those categorized as obese have a lower mortality rate than so-called normal-weight individuals. If the government

were to redefine normal weight one that doesn't increase the risk of death, than about 130 million of the 165 million American adults currently categorized as overweight and obese would be recategorized as normal weight instead....

Baselessly categorizing at least 130 million Americans and hundreds of millions in

the rest of the world — as people in need of "treatment" for their "condition" serves the economic interests of, among others, the multibillion-dollar weight-loss industry and large pharmaceutical companies, which have invested a great deal of money in the next generation of diet drugs.

Bishops kill study of sex abuses

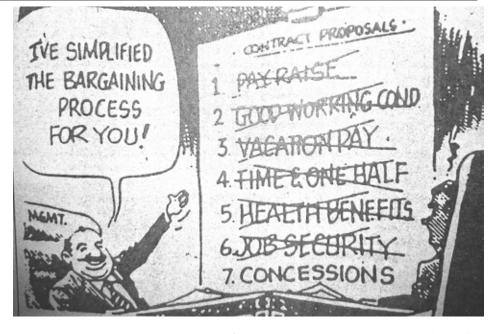
NYT, 1/10 — Paris (Reuters) — Germany's Roman Catholic bishops...canceled a study into the sexual abuse of minors by priests, prompting the investigator to accuse them of trying to censor what was to be a major report on the scandals.

The independent study, examining church files that sometimes date to 1945, was meant to shed light on undiscovered cases after about 600 people filed claims against priests in 2010 following a wave of revelations of sexual abuse. The German scandals were part of a series of abuse sandals that also shook the Catholic Church in Ireland, Belgium, the Netherlands and the United States....

[The study's chief] told German Radio that the bishops wanted to change previously agreed-upon guidelines for the project to include a final veto over publishing its results, which he could not accept.

Solution in India: marry the rapist

(NYT, 1/2 — India has...a culture that believes that the worst aspect of rape is the defilement of the victim, who will no longer be able to find a man to marry her — and that the solution is to marry the rapist....



Of the more than 600 rape cases reported in Delhi in 2012, only one led to a conviction....

Black prisoners top 1850s slaves

NYT, 1/5 —The idea that progress toward racial harmony would or should be steady and continuous is fraying. And the pillars of the institution — the fundamental devaluation of dark skin and strained justifications for the unconscionable — have proved surprisingly resilient....

A CNN poll...found that nearly 4 in 10 of white Southerners sympathize more with the Confederacy than with the Union....

According to an October survey by the Associated Press: In all, 51 percent of Americans now express explicit anti-black attitudes, compared with 48 percent in a similar 2008 survey....

As the best-selling author Michelle Alexander pointed out in her sensational 2010 book "The New Jim Crow," various factors, including the methodical mass incarceration of black men...lead to the disintegration of the black family, the disenfranchisement of millions of people, and a new and very real era of American oppression.

As Alexander confirmed..."Today there are more African-American adults under correctional control — in prison or jail, on probation or parole — than were enslaved in 1850, a decade before the Civil War began."

MORE ITEMS AVAILABLE AT WWW.PLP.ORG

FISCAL DEAL — RULERS SHARPENING THEIR KNIVES

Workers Pay for Bosses' Wars, Crises

The class of big businessmen (the owners and managers of Wall Street firms and major corporations like GM, GE, ExxonMobil and Microsoft), along with the politicians and generals who do their bidding, constitute a ruling class in the U.S. Their tremendous wealth and power enables them to control — and rule —government policy. However, divisions within this class, along with infighting between the two major capitalist parties, have made it very difficult to obtain changes in federal taxes and spending vital to their maintaining U.S. capitalism's world dominance.

Federal government spending is now 23% of the gross domestic product (GDP), while federal tax revenues are only 16% of GDP. Thus the government runs a huge annual deficit and must borrow to pay for it. The total federal debt is now over \$16 trillion dollars, requiring payment of more than \$220 billion in interest last year. In 2012, the deficit was \$1.1 trillion, the fourth consecutive year the deficit exceeded one trillion dollars.

The rulers recognize the problem and have gone to great lengths to try to solve it. So far they've failed. In 2009, Obama appointed a bi-partisan Commission on Fiscal Responsibility and Reform (CFRR), headed by ex-Senator Simpson (Republican), and ex-chief of Staff Bowles (Democrat). The CFRR's top concern was to push back rising U.S. competitors. Their report concluded: (1) high interest rates make U.S. businesses uncompetitive; (2) deficits make it harder to finance "emergency needs such as wars and recessions"; (3) China, "a nation that may not share our country's aspirations and strategic interests," is a huge holder of U.S. debt; and (4) investors could lose confidence in the U.S. ability to repay its debt, "triggering a debt crisis" and forcing the government "to implement the most stringent of austerity measures."

The CFRR plan demanded slashing spending on Social Security, Medicare and other social programs and lowering corporate taxes while insulating war spending from cuts.

Like all bosses, U.S. rulers fight among themselves through the political parties they control. Those squabbles have so far derailed the CFRR's plan. The recently passed fiscal deal will do virtually nothing to reduce the deficit. It will increase tax rates on the very rich to 39.6%, which is still historically low (the rate was 91% under Eisenhower and 70% under Nixon). Payroll taxes workers pay for Social Security and Medicare will rise while cutting a few exemptions and deductions for high-income earners. But this entire tax deal will net just \$620 billion in revenue over 10 years, not enough to cover even the \$1 trillion annual deficit.

The ruling class won't surrender until its power is crushed by masses of revolutionary workers. It is working overtime to win workers to fascist ideas.

That section of the ruling class whose profits depend on having a powerful U.S. world presence, from the Middle East to Asia — which includes big Wall Street banks, oil and gas companies like Exxon-Mobil, weapons manufacturers like Boeing and other multi-nationals — is clearly alarmed by these big deficits. As the CFRR report says, they fret that huge deficits endanger the big increases in military spending required to meet the challenges posed by U.S. rivals. According to Admiral Mike Mullen, the national debt is the "[U.S.] biggest security threat."

Although the U.S. has been increasing military spending 9% a year (mostly for its wars in Iraq and Afghanistan), China has been increasing its military spending by 13% a year for the past 15 years, mostly for new weapons, ships and submarines. Though the U.S. still has the world's most powerful military, China is catching up. It has aggressively pursued its territorial claims in the South China and East China Seas. China will surpass the U.S. as the world's largest economy within the decade. It is vigorously contesting U.S. economic dominance in region after region, from Latin America to Japan and Korea to Egypt, whose new president Morsi recently went to Beijing seeking more trade and investment.

To counter China's rising power, the Obama

Latest Scheme Not Enough

Ruling-class spokesmen sharply attacked the fiscal deal for failing to provide the revenues necessary to maintain U.S. supremacy. Richard Haas, president of the Rockefeller-led Council on Foreign Relations, complained: "There's a sense that we've been playing roulette with our position, and this deal does nothing to stop that." New York Times' columnist David Brooks scolds Congress and Obama for failing to slash Medicare now, saying the U.S. must choose between being a "global military power" and a "welfare state," and can't be both (1/8/13).

In case anyone missed the point, David Sanger, the Times' chief Washington correspondent summarized: "With economic growth harder to come by, the only obvious way to make major cuts in the budget is to go after Social Security, Medicare and [the] \$1 trillion national security budget — which includes the military, intelligence, diplomacy and development. And whenever the United States decides not to engage in some part of the world, countries look to a new source of investment and aid: China" (NYT, 1/4/13).

administration announced it will increase U.S. military presence in the Pacific. It has also vowed to contain Iran and not allow it to obtain nuclear weapons. Either one of these conflicts could lead to war and would require trillions of dollars in military spending immediately.

The ruling class won't surrender until its power is crushed by masses of revolutionary workers. It is working overtime to win workers to fascist ideas — sacrificing for the "national interest" and supporting fascist tactics like torture (portrayed in the new movie "Zero Dark Thirty"). Groups like Fix the Debt (run by billionaire hedge fund manager Pete Peterson, with Simpson and Bowles of the CFRR as key members) plot to convince millions of people, from retirees to veterans, to accept a lower standard of living.

The next "cliff" will be March 1, the deadline for negotiations over raising the debt ceiling. To stimulate the war fever necessary to cut social programs and maintain their top-dog position, the rulers will undertake whatever they think necessary, including orchestrating a 9/11-type incident or provoking a military confrontation in the Persian Gulf or the Pacific.

A system that cannot survive without imperialist wars and massive attacks on workers' standard of living must be destroyed. That's why every CHALLENGE reader should consider joining PLP and organizing to smash capitalism now.

Teachers Support Bus Drivers on Strike



BROOKLYN, NY, January 16 — "What's disgusting? Union Busting!" chanted a group of teachers picketing in support of striking school bus drivers and matrons outside their school (*see front page*).



SUBSCRIBE or RENEW!

All the communist politics, news, and struggle from around the world!

••••\$15 individual 1 year

••••\$35 for institution 1 year

 Name______

 Address______

 City______
 State______ Zip______

Make check or money order to: Challenge Periodicals, PO Box 808, Brooklyn, NY 11202



email: desafio.challenge@gmail.com www.plp.org PO Box 808, Brooklyn, NY 11202