

Growing signs of new economic downturn



Andres Kudack / AP



Bulent Kilic / AFP / Getty Images

(Above) Madrid police arrest a protester during July 11 rally by striking Spanish miners against lost jobs caused by cuts in subsidies to the mines. The miners argue that the government is targeting workers while seeking to bail out the big banks. Unemployment in Spain is nearing the 25 percent mark.

(Left) A miner sings after three-week march from the coal pits to Madrid.

By ANDREW POLLACK

Signs of a renewed, coordinated global economic downturn have grown in the last few months. Of course, given the inherent anarchy of the capitalist system, the “coordination” is more in the nature of a self-reinforcing downward spiral, as each sector drags the others down with it.

One sees the spiral right away in news of stagnation in the world’s largest economy. In the second quarter the U.S. economy grew by just 1.5%. *The New York Times* attributed the slow pace to curbing of purchases by both consumers and businesses “in the face of a global slowdown and a stronger dollar. ...

“The mired recovery makes the United States more vulnerable to trouble in Europe and, at home, the potential expiration of several tax breaks and other buoyant measures at the end of the year, known as the fiscal cliff. ... The [official] unemployment rate has stalled above 8% in recent months.”

The Times saw little hope in the short term: “Improvement strong enough to

provide real traction or lower the jobless rate remains out of reach. Wrote Jim O’Sullivan, the chief United States economist for High Frequency Economics, ‘there does not appear to be much basis for expecting a significant pickup any time soon.’”

Of particular worry was the social media sector, once thought to be the foundation of a lucrative new internet era. But now, according to *The Times* (July 27), these corporations were stumbling on the stock market, providing “echoes of the crash of 2000, when the money stopped flowing, the dot-coms crumbled and Silicon Valley devolved into recriminations and lawsuits.”

The Economist reported on June 9 that “hopes that 2012 would be the year when America’s economy at last shook off its lethargy seem dashed. Employers and investors face increasing uncertainty in every big economy. China, India and Brazil have slowed sharply. The euro zone is dangerously close to collapse. Goldman Sachs reckons that the spillover of European stress into American financial markets will knock

0.2 to 0.4 percentage points off growth this year.

Spillover from Europe’s crisis

The vulnerability of the U.S. economy to Europe’s woes was highlighted in a July 26 *Wall Street Journal* article reporting profit slumps at U.S.-based multinationals with large production and/or sales in Europe: “Europe’s deepening economic crisis is cutting into corporate earnings, with the continent’s woes threatening to exert a drag on multinational corporations around the world.”

The corporate alarm bells highlight how the miserable economic conditions in much of Europe are spilling onto the global stage. With much of Europe in recession and unemployment soaring, spending is sliding on everything from big-ticket items like cars to everyday staples like yogurt.”

Rebutting a commonly-voiced hope that Chinese expansion could pull everyone’s irons out of the fire, *The Wall Street Journal* noted: “For all the attention devoted to China’s growth, the 27 countries of the European Union are the largest economy of the world. Europe accounts for about one-fifth of all U.S. exports.” The Deutsche Bank’s chief U.S. equity strategist estimates 17% of prof-

it and revenue of the S&P’s 500-stock index companies comes from Europe.

The paper added: “The downturn in Europe is weighing on China, for which Europe is a big market, and is threatening to retard an already slow-growing U.S. economy as well.” *The Journal* said that among the 60% of S&P 500 companies in the U.S. who missed second-quarter revenue predictions, “many companies have cited Europe as a factor.

“The ongoing European crisis presents the biggest risk to our economy,” U.S. Treasury Secretary Timothy Geithner said. “The economic recession in Europe is hurting economic growth around the world, and the ongoing financial stress is causing a general tightening of financial conditions, exacerbating the global slowdown.”

And worse is coming, as government austerity measures imposed supposedly to solve European countries’ debt crises take effect: “We are in a vicious circle,” said a BNP Paribas economist, arguing that government austerity is leading households to cut spending, which lowers tax receipts and leads to more austerity. “Everyone is afraid. Governments are afraid. Households are

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Janitors walk out in Houston

By ANN MONTAGUE

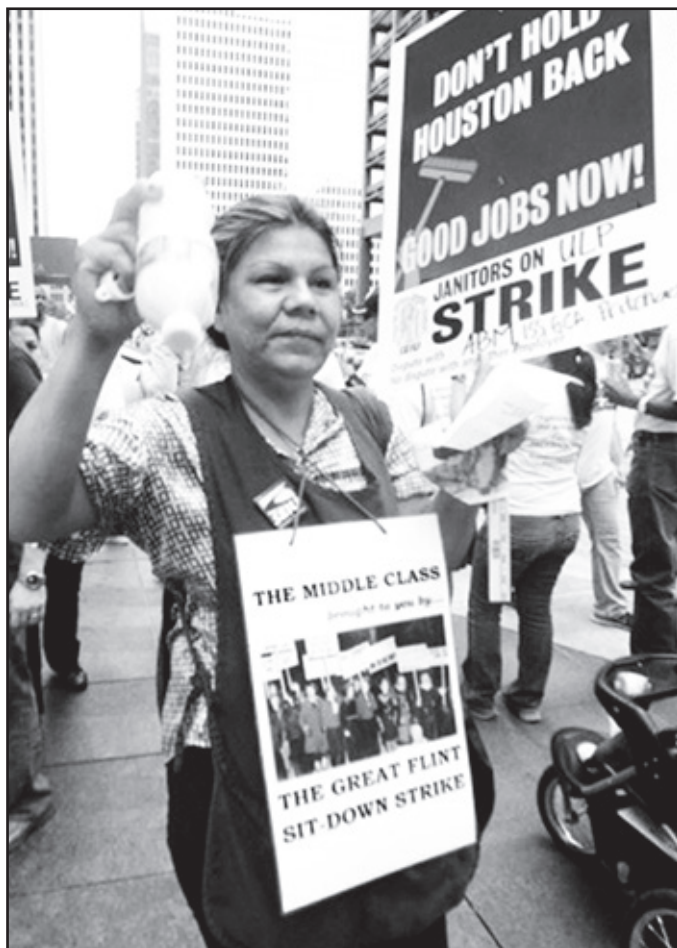
Support for striking Houston janitors spread across the U.S. in late July, as solidarity rallies took place in 17 cities.

The janitors walked off the job on July 10 and started night picketing outside key downtown buildings in Houston. These workers clean the offices of some of the richest corporations in the world, including Chevron, Hines, Shell Oil, and J.P. Morgan. They are paid less than \$9000 annually, which is less than half the poverty level.

The janitors are calling on all workers to "take back millionaire city." Houston is the home of more millionaires than any other city in the United States., while the janitors are among the most poorly paid in the country. This is a city where one in five workers make less than \$10 an hour.

Elsa Caballero, SEIU Local 1, said, "The story of Houston's janitors is the story of every hard-working man and woman in this country who has stood up and fought for a better life for their family from the historic Bread and Roses strike to the Flint sitdown strikes. Houston janitors are on the frontline, fighting for justice." According to a Fox News poll, 63% of Houstonians believe janitors should be paid more for their work.

The workers' contract expired on May 31. They are asking for a raise from \$8.35 an hour to \$10, which would be phased in over four years. The building owners and contractors offered a raise of fifty cents over five years. After the union members refused the offer, they were harassed and intimidated by their employers. Some workers said they were told they would be fired. That is when they called for a citywide strike.



The union had been preparing by holding rallies and one-day strikes. In addition, they gathered the support of community organizations and individuals. The NAACP's President Ben Jealous, actor/activist Danny

Glover, and faith-based organizations are standing with the strikers.

On the first Sunday of the strike, Archbishop Joseph Fiorenza held a prayer vigil at Tranquility Park, where he supported the janitors and their union: "Some are not supportive of the janitors because they belong to SEIU, a union which organized these janitors. If it were not for the union, we would not know their desperate situation, and the janitors would still be working for \$5 an hour; we would not know that janitors could be fired without a just cause or that their work hours would be reduced but their workload would not be lessened. The cause of janitors is right and just. Stand in solidarity with the janitors in their time of need."

Fifteen activists from across the country were arrested on July 18 in downtown Houston. They came to support the Houston janitors from Ohio, Georgia, Maryland, and Washington D.C. The activists were surrounded by 250 supporters carrying brooms and banging drums. Reisha Thomas, from the Texas Organizing Project, was arrested with out of state supporters: "I stand with janitors because they will raise the floor for all families. Throughout history people have engaged in protest and civil disobedience to stand up for civil liberties."

Two days earlier, SEIU announced that the strike would spread across the U.S. Janitors who are members of Local 1 fanned out across the country to establish picket lines in Washington, Minneapolis, Seattle, Boston, Oakland, and San Ramon, Calif. On July 18, Los Angeles and Denver joined in. Janitors in these cities have said that they will not cross the picket lines. SEIU represents more than 150,000 janitors in the United States.

In Chicago, where walkouts by union janitors are taking place, city officials are threatening to give jobs to non-union contractors at O'Hare International Airport. Sarah Hamilton, spokeswoman for Mayor Rahm Emanuel said that the city is evaluating its options, but must award the contract to the lowest "responsible bidder." ■

A WORKERS' ACTION PROGRAM TO FIGHT THE CRISIS

We propose an EMERGENCY CONGRESS OF LABOR to discuss and take steps to implement the following demands —

1) Bail out the people, not the bankers! Open the account books of the banks to full public inspection. Nationalize the banks to be supervised by workers' committees.

2) No foreclosures! No forced evictions! Cancel usurious debt payments, and reduce mortgage payments in proportion to their capitalist-caused decline in value.

3) Full employment at union wages! An emergency public works program to employ all jobless workers and youth! Employ people to build what we need — low-cost quality housing, efficient mass transportation, cheap and renewable sources of power, schools, clinics — and to conserve our water, forests, farmland, and open space.

4) Immediate and full withdrawal of U.S. troops and mercenaries from Iraq & Afghanistan! Close all U.S. bases abroad! No money for the military — use funds instead for public works! Convert the war industries to making products for people's needs and to combat global warming.

5) Reduce the workweek to 30 hours with no cut in pay, and cut the retirement age to 55. Provide unemployment and retirement payments at the level of union wages and benefits.

6) To combat inflation: A sliding scale of wages and pensions that matches the rises in consumer prices. To combat high medical costs: A free, universal, public health-care system.

7) Immediate citizenship for all undocumented workers. No job discrimination; equal pay for equal work — regardless of gender, sexual orientation, skin color, or national origin.

8) Nationalize manufacturing, big agribusiness, energy, and transportation corporations and place them under the control of elected committees of workers.

9) To mobilize support for the demands it adopts, the EMERGENCY CONGRESS should organize ACTION COMMITTEES in every workplace and neighborhood threatened by the crisis. These committees can draw up more concrete demands than the ones outlined above.

10) To put all these measures into effect, we need a LABOR PARTY — based on a fighting union movement and all people who are oppressed and exploited. For a workers' government!

SOCIALIST ACTION Closing news date: Aug. 2, 2012
Editor: Michael Schreiber Canada Editor: Barry Weisleder

Socialist Action (ISSN 0747-4237) is published monthly by Socialist Action Publishing Association, P.O. Box 10328, Oakland, CA 94610. Postmaster: Send address changes to: Socialist Action, P.O. Box 10328, Oakland, CA 94610. RATES: For one year (12 issues, 1st-class mail): U.S., Canada, Mexico — \$20. All other countries — \$30. Money orders and checks should be in U.S. dollars.

Signed articles do not necessarily represent the views of Socialist Action. These are expressed in editorials. Socialist Action is edited, designed, and laid out entirely by volunteer labor. It is printed by members of Local 583, Allied Printing Trades Council, San Francisco, Calif.



For info about Socialist Action and how to join: Socialist Action National Office, P.O. Box 10328, Oakland, CA 94610, (510) 268-9429, socialistaction@gmail.com.

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Presidential campaign loot

By MARTY GOODMAN

Susan Walsh / AP

"Anybody who wants to be an ambassador must at least give \$250,000." — Richard Nixon's price check to his Chief of Staff on campaign donations.

This year's U.S. presidential campaign fundraising is expected to double the record-breaking \$1 billion presidential campaign haul of 2008. Everything has its price under capitalism, including democracy.

The campaign is unfolding under the shadow of the game-changing 2010 Supreme Court decision in "Citizens United vs. the Federal Election Commission," which upheld the "free speech" rights of unlimited, secret corporate campaign donations.

The result has been virtually unrestricted campaign funding of political campaign organizations known as Political Action Committees (PACs), now re-configured as "super-PACs." Seldom invoking the moral depravity of the Watergate crimes, when the Nixon administration used secret campaign funds to finance the Watergate break-in on Democratic headquarters, the corporate media ignores the mass outrage that led to so-called Congressional "campaign reform," now largely overturned, along with a century of previous reforms (see *Mother Jones*, July/August, 2012)

For the last three summer vacations, Barack Obama and family stayed on Martha's Vineyard, near Cape Cod, Mass., a prime vacation destination for the 1% elite. But not this year! Obama says he is with "Main Street," the 99%. Yeah, sure. But neither will Mitt Romney likely be at his New Hampshire vacation estate much, after being stung with revelations that his Bain Capital associates slashed jobs for maximum profit.

Republican millionaire Mitt Romney and the Obama camp have organized exclusive dinner fundraisers; the most extravagant have taken place in New York and Hollywood, where dinner can set you back \$40,000—more than most people see in their entire lifetime.

The New York Times wrote that for Romney, there is "a natural bond between him and his top dollar supporters." Romney's campaign received \$229,000 from his former company, Bain Capital, a brutal job-cutting, slash-and-burn investment firm. Bain's donations went to both parties, though mostly to Romney, but have declined. Nevertheless, since the 2008 election cycle the Democrats have received \$1.3 million from Bain, double what Republicans received. Bill Clinton defended Bain against Obama's hypocritical criticism.

Barack claims 98% of his donations are \$250 or less; Mitt says 93% of his donations are small. But both have their billionaires and multi-millionaires. At one \$40,000-a-plate dinner for New York celebs, Obama said, "You're the tie-breaker. You're the ultimate arbitrator of which direction this country goes."

In fact, in 2008, the Obama camp raised a record \$730 million, and clobbered his opponent John McCain, who raised a mere \$333 million. Obama, in one of his first betrayals, rejected public campaign funding. Barack Obama was the preferred candidate of Wall Street in the last election, at \$15.8 million its fourth largest contributor. The crooks at Goldman Sachs, recipients of billions in bailout funds, were Barack's best paying Wall Street pals!

The Wall Street criminals are in a panic over sagging economic prospects (their own, of course!) and the simmering anger of working people against bank bailouts and rip-offs. Wall Street looks nervously at mass movements in Egypt that kicked out a U.S.-backed puppet, mass strikes erupting across southern Europe, mass protests against attacks on union rights in Wisconsin, and Occupy Wall Street, etc.

This year, many in the Bankster class chose to switch horses due to "reforms" under Obama that barely scratch the surface of corporate theft, like the 2010 Obama-backed regulatory Dodd-Frank bill, and Obama's proposal for a minor tax on those making over \$250,000. (If elected, we can expect Obama to capitulate to the Tea Party on those issues anyway!)

In 2012, however, according to the Center for Responsive Politics (CRP), Romney is the current favorite of Wall Street crooks, who forked over \$34 million to their man of the hour.

However, the July 3 *Wall Street Journal* observes that "the securities and investment industry has remained a top Obama donor. Together, Obama and the Democratic National Committee have raised more than \$14.4 million from the industry toward the 2012 election cycle, according to the most recent data available from the nonpartisan Center for Responsive Politics. [It] contributed about \$3.5 million to the Obama campaign, making it the sixth-ranking sector supporting the president's re-election. The Democratic National Committee has received almost \$11 million from the industry through June, the center reports, the third-highest industry donor."



(Above) Obama speaks to Business Roundtable in Washington, D.C., on March 6.

(Left) Protest at Obama fundraiser on Jan. 19 in Harlem.



Tony Savino / Socialist Action

Swept under the rug in this dance between competing wings of the 1% are attacks on the right to organize unions, dwindling family resources, the deportations of immigrants, attacks on civil liberties, police brutality, and unemployment that hovers above 8%. Real unemployment is actually far higher and at depression levels for

African American and Hispanic youth.

An astounding new study by a Congressional non-partisan research service reveals that the share of the nation's wealth held by the less affluent half of American households dropped precipitously after the financial crisis, to 1.1 percent. The share of total net worth held by the wealthiest 1 percent was 34.5 percent in 2010. The top 10 percent's share was 74.5 percent.

Working people have no stake in either candidate. The unspoken goal of the 1% in this election, or any other election, is to elect someone who can divert the anger of working people into safe channels that do not threaten the obscene wealth of those who own the election process, the workplace, and basically the entire country.

Socialists say: End the wars now! Trillions for jobs, not banks! Full employment at union wages! Cancel the student debt! Nationalize the banks, auto industry, and energy industry—to be run democratically by the workers! Working people need our own fighting labor party. ■

Elections USA: Paying your way

By MARTY GOODMAN

"There are two things that are important in politics. The first is money, and I can't remember what the second one is." — Mark Hanna, a 19th-century mining baron and Republican fundraiser.

It was expected that the Democrats would beat the Republicans in fundraising. So far, Obama tops Romney in individual donations, about \$300 million to \$152 million. But with the explosion of so-called "Super PACs" (Political Action Committees), which do not require disclosure of contributors, and "bundling" of donations, that's far from certain.

Romney's main Super-PAC is "Restore Our Future," whose top contributor is Sheldon Adelson, a casino owner and rabid supporter of apartheid Israel. Adelson donated \$10 million and says he may give \$100 million total. The second main contributor was Texas homebuilder Bob Perry, known for funding the Swift Boat Veterans for Truth group in 2004.

In addition, "American Crossroads," a Super-PAC headed by Karl Rove, George Bush's former adviser, pledged to raise \$200 million for Romney. Contributors include the Charles and David Koch brothers, both billionaire Tea Party funders, who say they may spend \$400 million.

Obama's main Super-PAC is "Priorities USA Action," formed after Obama reversed his supposed opposition to PACs in February. There are several billionaires in the Obama camp also. What's more, top-drawer corporations like Microsoft and Google, Inc. are backing Obama.

"We spent the vast majority of our money last time on broadcast television," said Obama advisor David Axelrod, "It's still the nuclear weapon." An April *Monthly Review* magazine feature on the election reports that information from Needham and Co. to investors esti-

mate that TV stations will receive as much as \$5 billion in this election cycle, up from \$2.8 billion in 2008. In 2012, political advertising will account for 20% of TV station ad revenues, up from about 2% in the 1990s.

One of the few restrictions on PACs prohibits them from "coordinating" with candidates. In practice, PACs are used to produce "attack ads" that candidates use without taking direct responsibility. "The truth was you could talk to the campaign every single day," said Rick Tyler, who headed a Gingrich Super-PAC. "What you couldn't do is coordinate expenditures." But Tyler said he didn't need to talk directly to the campaign. He'd simply give an interview. "You could tell the campaign what you were doing as long as you told the whole world," Tyler said. "It is all a joke, it's all laughable."

What's more, a candidate can be invited to be a guest speaker at a PAC fund-raiser for themselves, as long as they don't ask for specific amounts!

Campaign "bundlers" can raise up to \$500,000 or more and work in conjunction with candidates. Bundlers, who are politically connected, get around the individual presidential donation limit of \$2500 by collecting large numbers of donations—say, by throwing a gala for a couple of hundred people at \$2500 a table. Bundled contributions can go directly to help pay for campaign salaries and advertising.

There are hundreds of bundlers for Obama, seeking to raise \$74.2 million for his re-election. So far, Obama's bundlers have raised \$22 million from the financial sector, more than any other sector (CRP). Romney has 34 bundlers, who have officially raised \$5.2 million. But the Romney camp has refused to reveal its donors.

Lastly, Obama has collected donations for the Democratic National Committee, which can total \$61,600 per person over two years. What's certain is that high-rollers want payback in the form of tax breaks, cuts in public services and jobs, bloated government contracts, and shady bank deals. ■



(Left) AFL-CIO President Richard Trumka meets President Obama at White House, Aug. 31, 2011.

AFL-CIO calls unions to 'Stand for America' rally

By BILL ONASCH

Last month, AP ran a story about union officials expressing their displeasure with Democrats by organizing what was described as a “shadow convention” in Philadelphia prior to the boss parties’ nominating rituals. But those organizing the Workers Stand for America rally on Aug. 11 reject that term. I suppose they don’t like the implication of being a helpless, lockstep background of an illuminated leader. Or maybe they are touchy about today’s union influence being a shadow of its former gravitas.

Unions have seldom had much of a presence at Republican conventions but until the recent past they were welcome and highly visible at the conclaves of their Democrat “friends.” They didn’t come empty handed either; union-hosted “hospitality” events on the convention fringes were often only marginally less lavish than those of their corporate “partners.”

But this is not your father’s Democratic gathering. Team Obama not only passed up the invitation for the president to address the recent NAACP convention—America’s oldest and biggest civil rights group. They also keep union friends at arm’s length. The vice presi-

dent, who knows his place in Constitutional shadows, is assigned to glad-hand and commiserate once feted union and civil rights officials.

The Obama DNC even seemed to go out of their way this time to not just ignore their loyal labor helpers but to insult them. They picked a convention city in a right-to-work bastion of union avoidance and busting. The local boosters brag that the very convention center they will gather in was one hundred percent built—and is staffed—with non-union labor.

Union officials are fit to be tied—which, of course, they are. So they are going to spend most of what they would have dropped at the Democrat shindig in the City of Brotherly Love instead.

Referring to the Philadelphia rally in an e-mail, AFL-CIO President Richard Trumka told those of us paying dues to the House of Labor, “Our goal is to refocus the national discussion on the imbalance in our country’s national priorities. ... It’s not about party, it’s not about politics. It’s about people.” They plan to reaffirm a lofty but empty Second Bill of Rights—proposed by FDR in 1944. Whether Lunch Box Joe Biden will attend remains to be seen.

“Imbalance” seems a rather delicate euphemism for

the class war being waged by bosses, bankers, and politicians against American workers. Discussion of this war that could lead to action to defend ourselves is certainly appropriate and long overdue. A real Bill of Rights for the working-class majority is a fine idea as well. But these goals clearly require attention to politics—and the party we don’t yet have.

Trumka didn’t like the AP story’s imagery but he is happy someone takes seriously his oft-repeated claims that occasional tantrums signify labor’s political independence. The overall record of their actions shows otherwise. While Trumka sometimes issues largely ignored press releases critical of administration policies, the Federation’s agitational campaigns are designed to supplement the message de jour of Obama’s re-election campaign strategists.

Take, for example, their current approach to massive, long-term unemployment—the Bring the Jobs Home campaign. More sentiment than substance, this meshes with Team Obama’s current relentless attack on what they see as Romney’s main vulnerability—vulture capital tactics of off-shoring and out-sourcing. The White House can also claim some success as companies such as GE and the Big Three automakers restore some previously off-shored jobs to this country—now that wages and benefits have been slashed by as much as 50 percent on Obama’s watch.

Of course, we should expose Romney as the job-killer that he is. But little is said about the devastating and ongoing job cuts being carried out by Democratic “friends” in the public sector—above all, the destruction of the U.S. Postal Service as we know it. There’s hardly a peep even from the teacher unions about the privatization of education being championed by Obama. And they make little fuss about the White House promotion of globalization—such as the recent trade deal with Colombia and crucial support of new sweatshops in Haiti that will supply WalMart and Gap.

But our illustrious leaders don’t just talk it up for their Democrat pals—they put our money where their mouth is. NewsCorp’s *Wall Street Journal* last month released a far-ranging analysis of union resources pumped in to election campaigns over the past few cycles. The motivation for this Murdoch muckraking is to paint organized labor as just another big money “interest group,” on the same footing as corporate PACs and SuperPACs.

In fact, union spending remains modest compared to billionaire bankrollers. But it’s not chopped liver either. The unchallenged *WSJ*-reported statistics show unions spent \$4.4 billion in various ways on electoral politics from 2006-2010. They will undoubtedly spend more than ever on their “friends” in this year’s contests—what Steelworkers president Leo Gerard calls the most important election since FDR ran against Herbert Hoover.

If the labor movement invested this money—and the disciplined army of volunteers at its disposal—in to creating a party of labor’s own, it would be a whole new ball game. The Democrats would be left lurking in the shadows. Our side would have an effective political champion in the class war raging in America today.

If we do that, anything is possible. As long as we fail to do that, nothing good is possible. ■

NY bosses lock out 8500 energy workers

By MARTY GOODMAN

NEW YORK—On July 1, Consolidated Edison (Con Ed) of New York City, one of the nation’s top energy providers, cut off contract negotiations by locking out 8500 members of the Utility Workers United of America Local 1-2 (UWUA). The lockout was not a strike, but a one-sided refusal by Con Ed bosses to bargain.

The brutal strategy of Con Ed brought widespread comparison to the successful Tea Party attacks on the collective bargaining rights of public workers in Wisconsin. It brought labor toe to toe with a new stage in the attacks on working people by the 1%. The last time the UWUA struck Con Ed was in 1983.

Con Ed is a semi-public entity that was “deregulated” in 1998. On its board are politically well-connected millionaires. Con Ed contributed \$250,000 to the “Committee to Save New York,” which was set up at the urging of Mario Cuomo, now New York’s governor.

A tentative agreement was announced on July 26 in advance of a powerful rain-storm. Workers returned that day to stop “black outs.” The storm was used by Con Ed and New York Gov. Mario Cuomo

(Dem.), who has successfully backed pension reductions for new state workers, to ram through givebacks on the union.

The union had refused to buckle to initial Con Ed demands, which included a 24% per member rise in the cost of health care, and elimination of the pension plan—to be replaced by a 401K pension plan for new workers based on the stock market. The concessions were to be “offset” by a 10.5% wage raise over the life of a proposed four-year contract. Con Ed demands included requiring a seven-day notice of a strike by the UWUA, a move that would cripple any strike.

Upon locking out workers, Con Ed ended health-care benefits. This was as raw as the union-busting efforts by Tea Party Gov. Scott Walker of Wisconsin, who beat back collective bargaining rights for public workers. New York is a union town!

Democratic Party politicians, pretending support for workers, offered bland statements urging both sides to “go back to the bargaining table.” None demanded a raise or defended pension rights..

Con Ed work was being performed by 5000 supervisors, with hundreds of out-of-town scabs called in. Con Ed maintained that work could safely be per-



formed by supervision, but undertook to hire scabs. The UWUA slammed the bosses’ hypocrisy.

Con Ed bloodsuckers, like CEO Kevin Burke, are rolling in dough. Con Ed profits were \$1 billion last year. Burke’s salary was \$1.1 million in 2010, a 30% raise, plus \$9.2 million in benefits and stock options. Con Ed made \$5.9 billion since 2008, but none of it was taxed; in fact, it got a \$74 million refund in the last three years. Con Ed’s profits were up 27% this year until June 30.

The UWUA set up 24-hour pickets at Con Ed on 14th St., near Union Square in Manhattan. The noisy pickets, which included members of other unions, ranged

in size from several hundred to much smaller numbers toward the end. Occupy Wall Street Labor Alliance helped arrange a meeting with union leaders to form a citywide solidarity committee, although with little initial success.

There were two citywide labor solidarity rallies, which attracted some 2000-3000 supporters, the first in many years for an ongoing struggle. Yet, the turnout was light in a city with hundreds of thousands of union members. Most union leaders only mobilized token contingents. At the end of July, the UWUA, with Occupy Wall Street help, stepped-up efforts to stop scabs, with some success. At a UWUA rally, UWUA Local 1-2 President Harry Farrell promised the cheering workers, “I’m not giving up anything.”

Members were sent a contract “summary,” not the actual contract, to be voted on. The tentative four-year contract contained about 11% in raises with compounding. It also contained a “ratification bonus” and a “lump sum,” an old bosses’ trick, which appears like a raise but likely will not add to the workers’ actual base pay in future negotiations. Also, health benefit costs for the workers will significantly rise, but not as much as bosses wished.

The giveback item with perhaps the

(continued on page 5)

What do Libya's elections mean for the people?

By DANIEL XAVIER

Millions of Libyans cast their ballots on July 7 in the first "free" election Libya has seen in over four decades. Throngs of people packed into voting booths to select the country's new 200-seat National Assembly, which will be tasked with creating a new government and writing up a draft constitution. In response to the voting, U.S. President Barack Obama exclaimed: "After more than 40 years in which Libya was in the grip of a dictator, today's historic election underscores that the future of Libya is in the hands of the Libyan people."

But what do these elections really mean for the Libyan masses? To proclaim that the Libyan people are now free because they are able to vote is to ignore the glaring economic inequality and oppression that still persists throughout the country.

In February 2011, following the example set by the mass mobilizations of Tunisian and Egyptian workers that toppled dictatorial regimes, the Libyan masses revolted against their own repressive government. In the city of Benghazi, neighborhood committees were set up to coordinate the struggle and administer day-to-day activities such as the distribution of food and medical supplies.

But whatever independent grassroots movement existed at the beginning of the uprising was soon eclipsed, as the National Transition Council (NTC), composed mainly of rich Libyan elites in exile, took political leadership over the opposition. The leaders of the NTC, who were only interested in inserting themselves as the new ruling elite of Libya, sought to settle their score with Muammar Gadhafi through military means alone. They preferred to call for military aid and intervention from imperialist powers, such as the United States and France, rather than mobilize ordinary Libyans against the dictator.

Seeing a chance to harness and set back the mass dynamic of the Arab Spring and to gain unfettered access to the vast oil reserves of Libya, the imperialist powers quickly geared up for a military intervention against Gadhafi. With the unanimous passage of UN Security Council Resolution 1973, the "no-fly zone" was quickly transformed into a full-scale military offensive, complete with missile strikes and the introduction of ground troops. After the fall of the Gadhafi regime, the NTC took over as the interim government of Libya, pending elections for a National



Tomas Munita / NY Times

(Left) Benghazi polling station.

Assembly.

The July 7 elections resulted in a landslide victory for Mahmoud Jibril's National Forces Alliance (NFA), a broad coalition of secular and Islamist political forces. Jibril was head of the National Economic Development Board in the Gadhafi regime, before defecting to join the NTC last spring. Since the interim government did not bar Gadhafi-era officials from standing in the elections, some remnants of the old regime (such as Jibril) remain intact. Jibril is seen by many elites as the only figure capable of rallying a broad coalition in government to stabilize the country and encourage foreign investment in Libya.

Reuters noted on July 12: "In an oil-producing country with the resources to pay for urgent construction and healthcare needs, Jibril's consultancy background and international experience may help ties with investors. The NFA says it supports privatization but emphasizes that Libya must first rebuild its infrastructure" (emphasis added).

But while plans to raise the living standard of Libyans are painfully vague, Libyan leaders' commitment to foreign oil companies is becoming ever clearer. The state-owned National Oil Corporation and its subsidiaries control most oil production in Libya. Government officials have placed emphasis on attracting additional foreign corporate investment. The NTC has committed to honoring all Gadhafi-era contracts and debt and is working towards estab-

lishing new contracts with Western oil companies, with NATO countries that supported the armed intervention predictably getting preferential treatment.

The National Transition Council previously stated that it would not sign new oil contracts until elections were held and a new government had been formed. Now that this process is under way, Western oil companies are chomping at the bit to gain increased access to Libya's vast reserves of crude oil. *Libya Business News* noted in June that the government will "offer new production-sharing agreements to international oil companies on improved terms to existing contracts," i.e., terms more favorable for Western companies seeking to amass massive profits from Libyan oil. The *Financial Times* reported in May that "British companies are gearing up to compete for billions of pounds worth of contracts in Libya as the oil-rich nation presses ahead with its plans to restore its tattered infrastructure..."

One wrench in the works for the new Libyan rulers and their imperialist backers alike is the continued existence of armed militias. Many Western companies are hesitant to invest huge amounts of money in Libya until these militias have been disarmed and reckoned with. These militias have been operating with impunity since the fall of Gadhafi last year, carving out local spheres of influence for themselves.

The militias, far from representing a progressive political alternative, are more akin to the armies of the reaction-

ary warlords in Afghanistan. Patrick Cockburn noted in his recent *Counterpunch* article: "Last week Amnesty produced a devastating report—"Libya: Rule of law or rule of militias?"—based on meticulous and lengthy investigations, portraying Libya as a country where violent and predatory militia gangs have become the real power in the land. They jail, torture and kill individuals and persecute whole communities that oppose them now, did so in the past, or simply get in their way. A few actions by these out-of-control militiamen have gained publicity, such as taking over Tripoli airport, shooting up the convoy of the British ambassador in Benghazi, and arresting staff members of the International Criminal Court."

He continues: "But the widespread arbitrary detention and torture of people picked up at checkpoint by the *thuwwar* (revolutionaries) is not publicised because the Libyan government wants to play them down, or people are frightened of criticising the perpetrators and becoming targets."

Whether the new government can reign in the militias is yet to be seen. The Western media has often been silent on the rule of the militias because they want to paint Libya as a success story for foreign intervention, rather than a destabilizing factor. Meanwhile, the Libyan people are struggling to get by, as their country is racked by lawlessness, destroyed infrastructure, and ongoing poverty.

So what has fundamentally changed in Libyan society since last year? A different section of Libya's ruling rich (one more beholden to Western imperialist powers) has placed itself at the head of the people and shows no signs of committing to an economic program that will raise the living standards of the masses. The victory of NATO forces and the installation of this new government represent a defeat for the Libyan people, rather than a victory. Armed militias continue to terrorize the people, while the newly elected Libyan government makes plans to auction off the nation's oil wealth at fire-sale prices.

The liberation struggle in Libya will depend on the construction of a mass-based revolutionary socialist party. Only with such an independent leadership can a real revolutionary workers' movement take hold in Libya and pose an alternative to the oppressive capitalist regime that has just been installed at the behest of NATO intervention. ■

Prison sanctions Lynne Stewart for 45 days

By JEFF MACKLER

On Aug. 1, imprisoned radical attorney Lynne Stewart, who is serving a 10-year sentence at a federal medical prison in Carswell, Texas, on frame-up charges of conspiracy to aid and abet terrorism, was sanctioned by prison authorities for 45 days.

Stewart's offense? On behalf of a fellow inmate, Stewart mailed a copy of letter to a circuit court to her husband, Ralph Poynter, who was asked to forward the letter to the court. Stewart's objective was to "memorialize," that is, formally date the letter in the circuit court record.

Prison "rules," which are more often than not arbitrarily interpreted to administer punishment, allow for such mailings but only after the original letter has been sent by the inmate herself. In this instance cynical prison officials, who routinely open and read all mail, appear to have purposefully delayed the mailing of Lynne's friend's letter so as to bring about a violation of prison rules.

Stewart will now be denied for 45 days all prison commissary access (food, assorted clothing items, reading materials, etc.) as well as telephone calls, email access and visitors.

Stewart was aware that prison officials might well delay her friend's legal communication but she deemed its receipt by the court more important than the risk of punishment. Stewart, a human rights attorney of 30

years standing, now disbarred, said: "I know why I do what I do. The government's oppressive response, although sometimes more horrific than at other times, is to be expected." Stewart took the risk to help a fellow inmate, something she has become well known for since her incarceration almost three years ago.

Stewart's appeal to the Second Circuit of the U.S. Court of Appeals was recently denied. Her attorneys are now preparing a final appeal to the U.S. Supreme Court.

Stewart, along with former U.S. Attorney General Ramsey Clark, was the lead attorney in the 1995 New York trial of the "blind Sheik" Omar Abdel Rachman, who had been similarly framed on conspiracy/terrorism charges. Stewart was imprisoned because she had issued a press release on her client's behalf, an act that in normal times results in the most minor of punishments, like the denial of attorney visiting rights for a short period. In Stewart's case, her abusive witch-hunt-like trial, conducted in the shadow of the "war on terror," was replete with the introduction of hearsay "evidence" aimed at associating Stewart with terrorist individuals and activities around the world.

Ironically, Stewart's client, Sheik Rachman, now serving a life sentence in Rochester, Minn., was again brought to public attention last month when Egypt's new president, Mohamed Morsi, demanded his release, an embarrassment to U.S. officials indeed. Rachman, at the time of his trial, was a leading critic of the now-deposed and U.S.-backed Egyptian dictator, Hosni

Mubarak. Stewart's press release on behalf of Rachman was in response to an inquiry he received as to how his Egyptian co-thinkers should respond to the persistent prison and other assassinations of their Muslim allies by the Mubarak regime despite the existence of a cease-fire agreement between the government and the Muslim Group.

Letters to Stewart, who may be able to access them in 45 days can be mailed to: Lynne Stewart 53504-054, Carswell FMC, P.O. Box 27137, Fort Worth, Texas 76127. Contributions to Lynne's defense can be mailed and made payable to: Lynne Stewart Organization, 1070 Dean St., Brooklyn, New York 11216. ■

(continued from page 4)

most impact states that new workers would not receive the old pension benefits, but a new 401K plan tied to the unstable stock market. Many thousands of workers lost massive amounts of pension funds as a result of the 2008 Wall Street crisis. The new pension agreement would even more divide the union into two classes, destroying unity and fostering resentment from new workers—to the delight of Con Ed bosses.

As of this writing, the members had not yet voted on the deal. Socialists say, "No to all givebacks! No to inferior pensions for new workers! No to the divide-and-conquer tactics of the bosses! Vote the contract down!" ■

World capitalist crisis threatens humanity

Bayer CropScience

Kyodo News / AP



By JEFF MACKLER

A July 17 *New York Times* article entitled “Japanese Consumers Reconsidering Rice Loyalty” attracted my attention when it reported that “Japan’s agricultural ministry, for now, says it is not considering an increase in rice imports, which are all but shut out by a 778 percent tariff.”

This enormous tariff led me to wonder if *The Times* had not made a typographical error. Perhaps the actual tariff figure was 7.78 percent or even 77.8 percent? But an on-line *Times* correction 10 days later indicated that the only “correction” was in the name of the multinational corporation that actually did import rice into China, Seiyu Wal-Mart, which appeared in the original article as just “Wal-Mart.”

The multi-billion-dollar multi-national WalMart corporation was apparently able to pay this 778 percent tariff and still make a profit by selling near slave-labor Chinese-grown rice to Japan. But China is not the only country able to penetrate the Japanese market and still make a profit. U.S. rice producers, using the most sophisticated technology in the world—including aerial seeding, genetically engineered low-water requirement strains, and super-modern harvesting and processing equipment—are on the same road but with different methods. The secret of Japan’s imperialist competitors’ success is the employment of near slave labor on the one hand or the use of state of the art technology on the other.

The Times article, reflecting the concerns of U.S. business interests, continues: “We’d simply like to see demand dictate where U.S. rice goes, not the [U.S.] government,” said Robert Cummings, chief operating officer at the U.S.A. Rice Federation.”

Japan’s present rice shortage was a product of the government’s ban on the sale of rice from some 18,000 acres of contaminated Fukushima farmland following the March 2011 meltdown of three tsunami-stricken nuclear reactors. Despite government guarantees that Japanese rice outside the Fukushima region was “sufficiently” free from radioactive cesium and related contaminants, Japanese consumers tend to mistrust government assurances, especially given the long series of now refuted official proclamations.

If we may put the horror of the Fukushima disaster aside for a moment, including the resulting spread of deadly radioactive material in the atmosphere and oceans, the economic implications of a world driven by capitalism’s inexorable drive for profits at the expense of human life are revealing and go far beyond the present squabbles over rice tariffs.

World trade in the era of neo-liberal or laissez-faire/free-trade capitalism is supposed to be regulated by agreements between the world’s major contenders. International institutions like the World Trade Organization (WTO) or treaties like the General Agreement on Tariffs and Trade (GATT) are supposedly aimed at restricting or eliminating tariffs and all other barriers



When treaties prove inadequate to mitigate the intensifying competition inherent in capitalism, the weaker nations and their peoples are driven to bankruptcy — as in the present economic crisis.

(Above) June 12 protest in Fukui city, Japan, against restarting of two nuclear reactors. Japan has been forced to put many rice fields out of production because of nuclear pollution, but has still placed a 778% tariff on rice imports from China (left).

to “free trade.” The truth lies elsewhere.

As the U.S. Rice Federation states, demand and demand only—the free market—“should” dictate the price of rice and its destination. But the Rice Federation neglects to mention that *all* international trade agreements and organizations are based on enforcement of negotiated agreements between competing capitalists, agreements that include literally thousands of *exceptions*—as with Japan’s huge rice tariff against foreign imports.

In the case of Japan, whose highly efficient auto industry constantly undermines the profits of U.S. car corporations, these tit for tat multi-billion-dollar agreements can have the effect of protecting one or more of its weaker industries against powerful competition from other nations. Japan’s high rice tariff, for example, might be accompanied by an agreement to place a U.S. tariff or other such limitations on the importation of another Japanese commodity. Treaties like NAFTA (North American Free Trade Agreement) include innumerable protectionist exceptions of this type.

One nation’s concession to another with regard to Product A, for example, is given back in return for similar dispensation to Product B, but almost always with a bonus to the most economically powerful of the negotiators. The weaker the competing nation, the more concessions it is forced to agree to in order to secure access to foreign markets and/or protect its own. The major ruling-class representatives of the world regularly meet to negotiate the benefits for each of their countries, and then reduce these “government-approved” agreements to the status of international law.

When treaties prove inadequate to mitigate the ever-intensifying competition inherent in world capitalism, the weaker nations and their peoples are driven to near bankruptcy, as is the case with the present world

economic crisis.

To increase their worldwide competitive edge in auto production, for example, Japanese corporations have shifted production to super-low-wage India. Last month workers at the New Delhi-based Maruti Suzuki factory, which makes half of all cars sold in India and is controlled by the Japanese automaker, were burned in a fire that destroyed a portion of the plant during a confrontation with police and management goons. One hundred workers were arrested while protesting Suzuki’s contracting out thousands of jobs at sub-minimum wages and in violation of Indian law. “Temporary contract” workers, with few rights, are paid a fraction of the wages of permanent workers—about \$126 monthly as compared with \$324 a month for permanent workers.

While there are numerous international agreements to eliminate tariffs and other trade restrictions that may temporarily mitigate this ongoing deadly competition, there are no such international agreements regulating wages, hours, and working conditions. Here, only capitalism’s law of the jungle applies—enforce the “race to the bottom” to maximize profits at the expense of workers everywhere and the environment!

Economic warfare takes its hardest toll on the workers of the weaker capitalist powers, as is the case today with Greece, Ireland, Spain, and Italy—where the ruling rich seek to mitigate their ever-declining profitability by imposing draconian austerity programs that wipe out in a day gains won over decades. But the capitalist behemoths are not immune, as we see in the U.S., where the bankers and corporate rich are compelled to do the same at the expense of U.S. workers, youth, and the poor and oppressed.

In the above equations, countries of the underdeveloped world have virtually no influence and are subjected to the rape of their economies, resources, and people as well as the regular imperial installation of neo-colonial military regimes.

Economic warfare takes many forms, some deceptively peaceful, and others overtly violent. The half-century embargo/blockade imposed by the U.S. against revolutionary Cuba is every bit a war, but by other means. Only Cuba’s socialist revolution has allowed the nation to survive. Aimed at re-imposing the old colonialism, poverty, and exploitation on the hero-

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... Downturn

(continued from page 1)

afraid. Companies are afraid.”

Europe's auto sector—in which U.S. companies are big players—did particularly poorly in the second quarter. Ford suffered a 57% drop in global earnings in the second quarter, largely on a \$404 million loss in Europe, and lowered its 2012 profit forecast, citing overseas weakness.

GM lost 41% in the quarter, and has not made an annual profit on its European operations for more than a decade. But Ford of Europe was profitable until recently.

ArcelorMittal, the world's largest steel maker, with operations on every continent, suffered a 50% drop in income in the second quarter as raw materials prices rose and steel prices slumped. It has begun cutting production in Europe, and is gearing up to seek massive wage and benefit concessions from the 12,500 workers in the U.S. covered by union contracts.

“The protracted euro zone financial turmoil,” said *The New York Times* on July 25, “has all but killed demand for steel in Western Europe. ArcelorMittal ... produced more than a third of its worldwide crude steel in Europe last year. Nearly 100,000 of the company's 260,000 employees work in Europe.”

Troubles for Germany

Meanwhile, the continent's biggest and (relatively speaking) healthiest economy, that of Germany, is showing signs of being dragged down with the rest of Europe. On July 23, Moody's downgraded its outlook for Germany, citing the huge potential cost of a euro breakup on the country and, alternatively, the steep bill that would be paid to hold it together. The ratings agency pointed to the vast liabilities Germany would incur in a bailout of Spain and Italy and its banking system's “sizable exposures” to those two countries.

The warning to Germany followed a rush by investors out of Spanish bonds, leaving the euro zone's fourth-largest economy at greater risk of needing a bailout, and sparking a selloff on global markets. Moody's also cited renewed concerns about Greece, saying, “The material risk of a Greek exit from the euro area exposes core countries such as Germany to a risk of shock.”

In a prime example of the multifactorial vicious circles of the world economy, the July 23 *Wall Street Journal* noted: “Among investors' chief concerns is that Spain won't be able to find buyers for the tens of billions in new debt it must issue this year to raise cash. That lack of demand results from a confluence of worries. Spain's economy is deteriorating rapidly, weighing on the government's ability to bring in tax revenue; its financially strapped regions may need help from the central government;



(Left) July 19 union-led protest in Barcelona against cutbacks by Spanish government.

and its sagging banking sector remains capable of dragging the country down.

“Many investors fear Spain could be stuck in a downward spiral of slackening demand. The possibility that ratings firms could cut the country's precarious credit rating, thus forcing some institutional investors to sell, looms.”

Further evidence of German weakness came in a July 24 *Journal* report that the country's businesses cut their output at the fastest rate in more than three years in July, and in the broader euro zone companies cut back for the sixth straight month, raising fears of a recession spanning the 17-nation economy. “Output fell in the region's two biggest economies, Germany and France, suggesting the downturn isn't limited to the weaker nations embroiled in the sovereign-debt crisis. Falling output will make it harder for leaders to turn the corner on the crisis as tax revenues fall and social spending rises.”

Spain and Italy are respectively the euro bloc's fourth and third-largest economies, and the economies of both shrank rapidly this year, making it increasingly likely that Germany—which depends on the euro zone for around 40% of its exports—will be affected.

In Spain, 5.69 million people ended the second quarter jobless, raising the unemployment rate to a record 24.6%. Youth unemployment rose to 53% in the second quarter. Yet as part of a new 65 billion euro austerity package, the government is set to lower unemployment benefits.

The Economist reported on July 7 that “within the euro area, the unemployment rate reached 11.1% in May, a record high on data going back to 1995 for the 17 countries now in the monetary union. The composite purchasing-man-

Given the global nature of the crisis, U.S. workers would do well to look at recent examples of fight-back, from Egypt to Spain.

agers' index remained well below the 50 level that separates expansion from contraction (50 represents no movement, positive or negative).

And the magazine noted the global impact: “That industrial fragility has now spread around the world. In America the Institute for Supply Management's manufacturing index fell in June to below 50, for the first time in almost three years. New orders plummeted, which suggests that the weakness will persist. One of the main reasons was a sharp decline in new export orders, with manufacturers blaming slacker demand in Europe and China. In its annual health-check of the American economy, the IMF this week said that recovery remained ‘tepid’ and fretted about the fallout from an intensifying euro crisis.

“In Asia, too, an industrial slowdown is under way. Japan's Purchasing Managers Index (which tracks the willingness of companies to spend on their operations) slipped below 50 in June for the first time since November. After falling in recent months, China's official PMI is now only just above that threshold [50.1 in July]. Any slowdown still hurts economies, like Brazil, that have thrived by selling commodities to China. Brazil's manufacturing sector contracted for the third successive month in June.”

More vicious circles

Let's bring it home to the United States and look at a few particular manifestations of the vicious circles reinforc-

ing the crisis. On June 21 Moody's reported it was downgrading the credit ratings of 15 of the world's biggest financial firms, including Goldman Sachs, Morgan Stanley, JPMorgan Chase, Bank of America, and Citigroup.

The sharply lower credit ratings may worsen results for these banks in the very areas that prompted the downgrades. To finance their operations, Wall Street firms rely heavily on short-term loans lasting a few days to a few months. But the downgrades could push up the costs of these loans, as the lower credit ratings might encourage lenders to think there is a higher probability that the banks won't repay the money. The same will be true of these banks' derivatives, as their clients may now demand

better terms given the ratings decline, terms that mean greater pressure on those banks' profits, meaning possible further ratings cuts.

The feeling of sinking into a whirlpool is increasingly common for workers. For instance, the June 19 *New York Times* reported how layoffs of public workers were slowing the economy: “Since its post-recession peak in April 2009, the public sector has shrunk by 657,000 jobs. The losses ... have accelerated for the last three months, creating the single biggest drag on the recovery in many areas.” Federal spending cuts are impacting states, which in turn cut aid to localities.

A similar vortex is sucking down consumer spending: “The wage problems brought on by the recession pile on top of a three-decade stagnation of wages for low and middle-wage workers,” said Lawrence Mishel of the Economic Policy Institute. “In the aftermath of the financial crisis, there has been persistent high unemployment as households reduced debt and scaled back purchases.”

The state of working-class fightback against these attacks in the U.S. is still severely limited—although the memory of recent upsurges from Madison to Occupy has not faded and may yet inspire a rising tide of resistance.

Given the global and mutually reinforcing nature of the various aspects of the crisis, U.S. workers would do well to look at other recent examples of fightback around the world, from the spreading strikes in Egypt to the millions who repeatedly rallied in Spain this summer. This is necessary not only in order to draw inspiration from others' combativity, but also to tighten ties with militants around the world fighting the same global system, even if their mobilizations arise initially from specific, seemingly isolated manifestations of that crisis. ■

... Capitalist crisis

(continued from page 6)

ic Cuban workers and farmers, the embargo is aimed at regime change—nothing less.

What applies to Japanese rice applies with brute force to Cuban sugar production. With the demise of its former USSR and Eastern European trading partners, Cuba lost some 85 percent of its trade and close to all of the market for the sugar it produced as the nation's main cash crop. Cuba's once state-of-the-art sugar industry, which produced an average of seven millions tons yearly for decades—ranking sixth in the world—saw its sugar exports drastically decline. Its access to spare parts and replacement machinery, as well as oil to fuel its refineries and harvesting equipment, reduced sugar production to below 1.2 millions tons by 2005-6. Tractors and associated heavy equipment had to be replaced by oxen to cultivate fields.

Equally horrific was the fact that the world market price of sugar, a result of the corporate machinations of the largest consumer nations, dropped by 50 percent, further exacerbating the stresses on Cuba's al-

ready beleaguered economy. The cost to Cuba of the U.S. blockade exceeds \$50 billion since 1960.

In a similar manner the U.S.-led sanctions against Iran, cynically demonized as a “terrorist” nation by the U.S. government and its captive media, are today enforced by threatening U.S. warships in the Persian Gulf, costing OPEC's third-largest producer \$133 million a day in lost sales. In contrast to the U.S. empire, with 1100 military bases around the world, Iran has never invaded another nation and has no bases anywhere outside its borders.

“Oil shipments from Iran,” according to the Aug. 2 *San Francisco Chronicle*, “have plunged to 1.2 million barrels a day, or 52 percent, since the sanctions banning the purchase, transport, financing and insuring of Iranian crude began July 1.” On an annualized basis Iran's losses will be \$48 billion, or 10 percent of its economy.

When oppressed people anywhere fight back and remove the dictators imposed by the U.S., they are punished, as with the U.S.-financed 10-year war against Iran beginning in 1979-80, waged by the then U.S. surrogate Saddam Hussein dictatorship in Iraq. That war, which saw much of Iran's oil facilities destroyed

or idled, cost the lives of one million Iranians and an equal number of Iraqis.

Similarly, the U.S.-sponsored coup in Iran in 1953 replaced British oil contracts with American ones after replacing the democratically elected president, Mohammad Mossadegh, with the brutal Shah Mohammad Reza Pahlavi. Just who are the real terrorists?

The ever-intensifying U.S. wars, sanctions, embargoes, blockades, drone bombings, mercenary death squads, armed interventions, renditions, and torture are matched by the less obvious but critical exercise of power in the economic arena. In both instances we are witness to a social system, capitalism, driven to destruction by its inherent contradictions rather than the conscious decisions of its leaders. Capitalist competitors from each country, driven by the same mad logic, have no alternative but to participate and retaliate to ensure their profits.

Working people have no interest in defending any aspect of this world social system heading for disaster. Marx said it well in the closing admonition of his famous “Communist Manifesto,” “Workers of the world unite! You have nothing to lose but your chains.” ■

Northern Lights

News and views from SA Canada

Ontario teachers gear up for battle — despite divisions

By BARRY WEISLEDER

TORONTO—Labour Day 2012 inaugurates a season of intense class conflict between public service workers and the Ontario Liberal government. Teacher union officials are now locked in battle with their erstwhile supposed-ally, Premier Dalton McGuinty, whose Spring budget demands major concessions to balance the books at the expense of education and other social amenities.

The Elementary Teachers' Federation of Ontario (ETFO) will conduct a political day of action in the fall if the Legislature attempts to impose a settlement on its members. The Ontario Secondary School Teachers' Federation (OSSTF) is taking strike votes from Aug. 27 to Sept. 7, and is also considering a day of protest.

ETFO and OSSTF are working in concert with the French teachers' association and the Canadian Union of Public Employees, which represents many school boards' support staff.

Sadly, the Ontario English Catholic Teachers' Association (OECTA) broke ranks with the other organizations in early July when it reached a deal with the Ontario government. It conceded three unpaid professional development days (i.e. a 1.5 per cent cut in pay), and cancelled funding for more secondary school teachers, in exchange for *partial* annual increments up the existing wage grid. Tellingly, OECTA forfeited the right of its members to vote on the deal.

OECTA members are still stuck with the reduction of paid sick days (down to 10, from 20 per year), an end to compensation for unused sick days, and a two year wage freeze — which McGuinty still seeks to impose



(Above) Ontario Premier Dalton McGuinty, who union officials once considered their “ally,” is demanding major concessions from teachers.

on all teachers. OSSTF has already agreed to freeze wages, but it seeks to preserve movement up the experience grid (particularly important for teachers in their first 10 years) and to keep the current sick-leave provisions.

“We tabled a proposal to the government back in April that would give them additional cost savings ... a provincial benefits plan proposal that would save the

government hundreds of millions of dollars. We also offered the government a four-year deal that included a two year wage freeze, and modest cost-of-living salary increases in years three and four. The government rejected those proposals without any consideration,” OSSTF President Ken Coran told a July 6 news conference.

But this concessionary posture carried no favour with the government, which proceeded to play the “divide and rule” game. Premier McGuinty picked off the weakest union already plagued by the deeply unpopular resistance of Catholic high schools to the formation, by its students, of gay-straight alliance clubs.

Substitute teachers, who comprise over 7000 of OSSTF's 60,000 members province-wide, have reason to be apprehensive of any provincial deal—which likely will fail to address deteriorating classroom conditions and declining daily job opportunities. Poorly funded students increasingly lash out at substitute teachers. Frustrated full-time teachers retire early. Many return to work as subs, “double-dipping” to augment their pension income. This practice, condoned, even encouraged by OSSTF officials in some districts, leaves many substitutes at the brink of destitution.

It is crucial to be cognizant of these divisions in order to overcome them—which is possible, but only if unions fight for the interests of all members and employ more militant tactics in the workplace and in the political arena.

Many teachers feel betrayed by the Ontario Liberal Party, which enjoyed their tacit support in recent provincial elections—to fend off the rhetorically more right-wing Tories. The current collective bargaining battle demonstrates the foolishness of “lesser evil” politics. The latter includes the mistaken idea that the big business-backed Liberals would do anything other than act in the interest of capital, especially in the throes of a global capitalist economic crisis.

Instead of concessions bargaining and “lesser evil” capitalist politics, all education workers should unite public and private sector workers in a campaign that follows the mass mobilizing example of the Quebec students' movement.

Needed are escalating job actions that lead to an unlimited general strike to stop the rulers' austerity drive, and to make capital pay for the crisis it created. Required is a fight for a Workers' Government, a process that starts with teachers and all working people taking control of the existing labour party, the NDP, and demanding it fight for the vast majority. ■

By JULIUS ARSCOTT

Vice president, OPSEU Local 532

OPSEU getting ready to fight

The 38,000 members of the Ontario public service are entering a new round of bargaining this fall, amidst a wave of labour concessions across both the private and public sectors. The Ontario Public Service Employees' Union (OPSEU), the largest public sector union in the province, is readying itself.

The employer is expected to demand severe concessions. Wages, sick leave, benefits, pensions, and job security could be on the chopping block. Attacks on pensions may come in the form of legislation to change current “defined pensions” into pooled investment schemes. Many members have been declared “surplus” (3400 positions have already been cut).

The cuts have affected the reliability and quality of public services in the province, and have taken a toll on

the popularity of the governing Liberal party. Premier Dalton McGuinty, in his spring budget, demanded major concessions to balance the books at the expense of public services, and threatened to privatize ServiceOntario (which provides drivers' licenses, birth certificates, etc., for a fee).

OPSEU members need protection for jobs, pensions, wages, and benefits—not privatization. The OPS is also bargaining at the same time as the liquor board employees' division and the community college teachers (CAAT Academic).

McGuinty is expected to use dirty tricks to divide public sector workers. In bargaining with the supervisory workers' group AMAPCEO, McGuinty tabled rollbacks on job security, insured health benefits, reductions to

sick leave entitlements, and the elimination of compensation option credit days, coupled with a four-year freeze on salary, no merit or pay for performance adjustments, and permanent elimination of P4P.

This will likely be the most difficult round of bargaining in the union's history. Increasingly it looks like AMAPCEO may go on strike for the first time.

OPSEU President Smokey Thomas has advised members to prepare for a possible strike by paying down debts, delaying major purchases, and saving up some money. A good way to avoid a strike is to be well prepared for one. Education is key, and so is leadership.

What can be said about the education and preparation of the membership by the union leadership? Since this could be the most important bargaining

since the ultra-right-wing Tory Mike Harris days of the mid-90's, the union will require a higher level of militancy. It requires the building of relationships with the rest of the labour movement, particularly to build towards an unlimited general strike to challenge the broad anti-worker agenda underway.

While not officially affiliated with the New Democratic Party, OPSEU is supporting the NDP candidate in the upcoming provincial by-election in Kitchener-Waterloo, 90 minutes west of Toronto. A Liberal victory would give McGuinty a majority of seats in the Ontario Legislature.

We can imagine what he would do to public services and working people in general with that majority. OPSEU needs to help forge a working-class united front by affiliating to the New Democratic Party and by driving NDP policy towards a Workers' Agenda. ■

Ontario Conservatives plan to starve unions

By RICK EKAPUK

Shortly after the governing Liberal Party passed its austerity budget in early June, the right-wing opposition Progressive Conservatives sought to squeeze more out of Ontario workers through a full-frontal assault on labour unions.

In a “white paper” outlining their labour policy, the Conservatives propose to eliminate the requirement that employers deduct union dues from employees' wages if requested by the union. Known as the “Rand Formula,” after Supreme Court Judge Ivan Rand who instituted it, this requirement has been a mainstay of Canadian labour law since 1946.

Some U.S. states have an equivalent rule, although it has recently come under sustained attack (in a grossly misnamed

initiative known as “right to work”), especially in Indiana, where it was repealed in the spring. The trend is picking up in Canada too, with the Ontario Conservatives being the third provincial party to propose repealing the Rand Formula.

The Conservatives argue that repealing it will benefit workers by giving them the “choice” to contribute to unions or not. However, the concept of choice cannot apply to the Rand Formula, since it was brought about to fix a “free rider” problem. Deductions for union contributions are like taxes: just as residents are forced to pay for things like schools, roads, and law enforcement, workers must pay for the higher wages and other benefits that they enjoy from their union-negotiated collective agreements.

As York University labour relations Pro-

fessor David Doorey rhetorically asks on his blog: “What if taxes were voluntary? How many people would pay them?... Soon no one would be paying taxes, and the government would go broke.” This is undoubtedly what the Conservatives wish for unions.

Another benefit of repealing the Rand Formula, according to the Conservatives, is that it will attract more employers to Ontario. But are Ontario's labour laws really keeping them away? As Professor Doorey notes, the Rand Formula has not deterred notoriously anti-union companies such as WalMart and Target from rapidly expanding in the province; only about 15 per cent of private sector workers are unionized.

So why are the Conservatives going after the Rand Formula now? Ontario

Federation of Labour President Sid Ryan says that it is a payback from PC party leader Tim Hudak for the role that union-paid ads played in his defeat at the October 2011 provincial election. Although this is easy to believe, the broader context should not be ignored. The Conservative proposal is the latest in a steady stream of anti-worker initiatives sweeping across our continent and the world, as the bills for the current financial crisis keep getting passed to the working class. Socialists demand a stop to union-bashing and anti-worker austerity initiatives from the parties of capital. Supporting Ontario NDP proposed labour law reforms (to ease unionization) is positive, but not enough.

We need to deal with the economic crisis by strengthening the position of the working class here and around the world—which will require mass protest job actions. ■

QUEBEC: Mass struggle continues / Election pending

By ROBBIE MAHOOD

MONTREAL—As many as 80,000 protesters hit the streets of Montreal on July 22, proof that the mass struggle over the Liberal government's unilateral decision to raise university tuition fees has far from dissipated. The central slogan this time was "Out with the Neo-Liberal Parties," reflecting the growing radicalization produced by the struggle and the influence of the CLASSE (Coalition large de l'association pour une solidarité syndical étudiante/ Broad Coalition of the Association for Union Student Solidarity), the largest and most militant of the student unions participating in the strike.

It is true that the numbers this time were down compared to the mass demonstrations of March 22, April 22, and May 22, each of which attracted 200,000 or more. But this is mid-summer during the annual construction holiday, and many students have dispersed to their homes outside of Montreal or are working.

The student strike has been effectively suspended since June when the government cancelled the spring academic session and brought in a special repressive law to limit demonstrations, ban pickets, force professors to teach, and levy heavy fines for defiant organizations and individuals. With this draconian legislation, the government hopes to break the strike and cripple the student associations when classes resume in August.

A major complication affecting the mass movement is the provincial election that Liberal Prime Minister Jean Charest set for Sept. 4. The Liberals hope to capitalize on a backlash against the striking students. On the anti-government side, there is considerable pressure to close ranks behind the Parti Québécois (PQ) in order to oust the hated Liberals. For its part, Quebec Solidaire (QS), the small left party (with one seat in the National Assembly) that was forthright in its support for the students' strike, hopes to head off the logic of the strategic vote, since it competes for the same working-class and popular electorate as the PQ.

For the most significant opposition to this short-term electoralist perspective, we must turn to the CLASSE. At its congress in Quebec City on July 14, the CLASSE issued a manifesto entitled "Share Our Future" and adopted a strategy for the anticipated election. In appealing for a "social strike," the manifesto attacks the "blind submission" to the market, and targets in particular the neo-liberal "user-pay" principle that the government is trying to enforce not only in the universities but across the range of publicly funded services. (For an English translation of the manifesto, see www.stopthehike.ca/2012/07/share-our-future-the-classe-manifesto/#more-1230.)

The CLASSE will retain its independence from the political parties, but plans a parallel election campaign across Quebec to share its societal project with the population. Direct democracy, social justice, defense of the



(Above) Thousands marched through the center of Montreal on July 22. The main slogan was, "Out with the Neo-Liberal Parties!"

environment and gender equality will be counterposed to the existing neo-liberal political and economic order and the rule of the 1%. The CLASSE is currently committed to pursuing the strike against higher tuition fees but will be holding urgent general assemblies of its members to discuss this vital question in the context of Bill 78 and the anticipated election campaign.

The militant stance of the CLASSE clearly anticipates a long-term struggle without neglecting the electoral arena. This is a positive aspect of its position even if there is silence or vagueness on other strategic questions such as how to mobilize the labour movement in the presence of a class-collaborationist labour leadership or the centrality of the national question for an anti-capitalist perspective in Quebec. The same shortcomings apply to a broad section of the Quebec left, including Quebec Solidaire.

The situation coming into this election is contradictory: On one hand, there is a social struggle of unprecedented depth and militancy, even if so far it has been unable to break the back of ruling-class intransigence. On the other, there is an opportunity to toss out a hated government, which is making a bid for a third mandate in order to continue its austerity drive.

Polls indicate a close race between the Liberals and the Parti Québécois, with the Coalition Avenir Québec (CAC) somewhat further back, perhaps resulting in a minority Liberal or PQ government. This uncertain scenario reinforces the argument to consolidate the anti-Liberal vote behind the PQ.

The argument for a tactical vote for the Parti Québécois must be rejected. This party differentiates itself from the Liberals primarily on the national question, but in reality follows the dictates of international capital and is incapable of leading a struggle for national liberation. Its record in office is that of a co-implementer of neo-liberal policies. The pressure for a "useful" PQ vote is analogous to arguments for lesser-evil pro-Democratic Party politics in the U.S.

The Coalition Avenir Québec (CAC) represents a right-wing split from the PQ, favouring further retreat in the struggle for national independence, union-bashing policies, and acting as an incubator for all manner of reactionary pro-market schemes that would accelerate the degradation of social life in Quebec.

Despite the weaknesses of its programme and leadership, QS offers the only option in this election. Its origins lie in a break with the neo-liberal consensus embracing the other parties, and in practice it aligns itself with mass struggles. At the same time, we favour continued mobilization in the streets in order to apply maximum pressure during and after an election campaign. ■

Viewpoints in this article are those of Socialist Action / Ligue pour l'Action Socialiste in the Canadian state, and do not reflect those of Socialist Action newspaper.

Will Enbridge spills kill XL and Gateway pipelines?

By BARRY WEISLEDER

A U.S. government enquiry into the July 25, 2010, spill of 843,444 gallons of crude oil into Michigan's Kalamazoo River, by Canada's Enbridge Inc., has fueled doubts about such proposed pipelines as Keystone XL and Northern Gateway.

Environmental groups on both sides of the border seized upon the findings of the National Transportation and Safety Board to argue against expansion of Alberta tar sands. NTSB Chair Debbie Hersman said Enbridge failed to adequately address well-known corrosion problems as far back as 2005.

The public was stunned to learn that the pipeline rupture in a wetland in Marshall, Mich., became much worse after an incredible 17-hour delay to stop the flow of oil. Clean-up efforts continue, with costs exceeding U.S. \$767 million, not including the health impact on about 320 people who reported symptoms consistent with crude oil exposure. For this, Enbridge faces the prospect of a \$3.7 million fine from the U.S. Department of Transportation—a mere slap on the wrist.

The real cost to Big Oil would be denial of approval of the Keystone XL line, backed by Calgary-based TransCanada, which U.S. President Barack Obama is stalling until after the November election. Keystone XL would deliver crude



(Above) Protest outside U.S. Treasury Bldg. in Washington, DC, Nov. 6, 2011.

oil from the tar sands in Alberta to Texas, while Enbridge's Northern Gateway would take crude from Alberta to northern British Columbia, where it would then be loaded on tankers for Asia.

The NTSB study faulted the contracting-out of pipeline defect detection, as well as poor regulatory oversight (giving too much authority to private companies to self-police), for the disastrous oil spill in Michigan.

In January, Enbridge opened a new "state of the art" Edmonton control centre, claiming it has incorporated lessons

from its internal investigation into the Kalamazoo spill. But doubts persist, deepened by another Enbridge spill of 1000 barrels of oil in a Wisconsin field on July 27.

"How can we trust Enbridge to build two pipelines safely across nearly 800 rivers and streams in Alberta and British Columbia?" said Nikki Skuce, senior energy campaigner with ForestEthics. "Enbridge has the audacity to tell us

that our coast will be safer with their oil supertankers travelling the treacherous waters off the northwest coast—this from a company who can't even turn off a pipeline for 17 hours after an alarm goes off."

"This should be the nail in the coffin for the Northern Gateway pipeline," said Greenpeace Canada spokesperson Keith Stewart. Pete Erickson, hereditary chief of Nakazdli in British Columbia, thinks this ruling will give opponents of the Northern Gateway ammunition to stop Enbridge's plan.

"The risk is far too, too high," he said. "They come around and throw money at us. We tell them you don't understand. We don't believe you have the technology or the will to make this a safe project. There's no way to do it."

And even if the safe pipeline technology did exist, would it not be wiser to spend the money on green energy generation, rather than boiling oil out of tar sands and transporting it across continents and oceans? Given all the evidence of negative climate change, is it not urgent to wean the world off the burning of carbon?

At least two things should be perfectly clear by now. Profit will continue to trump environmental concerns so long as capitalism rules. And secondly, a mass action-oriented environmental movement, based on the working class, has the capacity to not only expose eco-crimes but to give birth to a better power. ■

A grassroots mobilization in Syria

By ANDREW POLLACK

As the armed conflict heats up in Syria, there are indications that organizing of the rebellion is proceeding at the rank-and-file level.

The Revolutionary Left, for instance, cites the continued role of workers and peasants in the revolt, as well as students: "Today, not a week goes by without the voices and songs of the students of the University of Damascus being heard at the presidential palace, close to a hundred meters, while almost daily demonstrations take place at the universities of Deraa and Deir al-Zur. Aleppo University has suspended its course for fear of an uprising even more important for young people, while the bullets are more numerous than the books at the University of Homs.

"The bulk of the protesters of the Syrian revolutionary movement actually include the economically disenfranchised rural and urban working and middle classes who have suffered from the accelerated imposition of neoliberal policies by Bashar Al Assad since his arrival to power."

The RL said the grassroots opposition is united around demands for the overthrow of Assad and his close associates, "a transition government, the establishment of all civil liberties, the end of the repression, the liberation of political prisoners and the return of opponents in exile."

The group noted that the regime that has enriched a handful of families with its neoliberal economic policies is the same one, whether under Assad fils or pere, that has over the decades worked with imperialism to repress Palestinian and Lebanese liberation fighters, and has aided the U.S. in its war against Iraq and its "war on terror."

The RL also warned of "the dangers of an external intervention on the revolution, while arguing for a radical opposition. We thus refuse any military role or action in the future, on Syrian territory, by NATO or other reactionary forces from the Arab States or other Middle Eastern ones."

They also called for building "an organized revolutionary left in Syria," noting that the absence of such a force "has been among the causes in the confusion inside the leadership of the current six-months-long revolutionary movement. On one hand, this is the outcome of the historical participation of the traditional communist movement in the existing regime and its brutal repression. Another reason is the crushing by the regime of the revolutionary left and to



a large extent all other political forces since 1980s."

They emphasized: "Despite the success of the Syrian masses to continue the struggle against this oppressive regime, the latter will nevertheless not be toppled overnight. The battle of the masses to achieve their demands mentioned above will need time. This is why the revolutionary work is not limited to Syria, but also includes other Arab countries, and may include later all the

Arab countries in order to build a revolutionary left capable of mobilizing the masses for freedom, dignity and social justice on the basis of a progressive and radical program that can stand out amid programs of other political and social forces."

Answering allegations of "Islamist" domination of the revolution, they put down the adoption by some armed groups of names from Islamic history to their being composed of very religious,

mostly rural members, i.e., the names were products of their social milieu, not of a sectarian impulse. Still, there have

been reports by progressive activists of sectarian statements and actions. But this is not surprising given the social and political atomization imposed by the regime for decades, and the sectarianism it has encouraged since the revolt broke out.

(See various articles by the RL at <http://syriafreedomforever.wordpress.com/>.)

Evidence of the potential in the Revolutionary Left's call for regional organizing and solidarity was provided in an article by Amro Ali, "Egypt's stake in the Syrian revolution" (*The Egypt Monocle*, June 24). Ali described a variety of solidarity activities organized on behalf of the revolt by Egyptian revolutionaries, and noted historic examples of pan-Arab sentiment and struggles.

The same potential was testified to by Suzanne Adely at a New York forum on Syria organized in July by the Coalition to Defend the Egyptian Revolution. Adely described a meeting being held in Cairo for a leading Syrian oppositionist.

She said that the meeting was interrupted by news of the attack by Egyptian security forces on a protest, and meeting participants rushed off to help defend protesters. However, Adely noted, participants made clear that they did not see this as having put aside the Syrian issue to deal with their "own" issues, but rather as a natural shift from one front to another in a shared, regional fight for liberation. ■

... Syria battles

(continued from page 12)

because 'we would have never been able to pass the Syrian army checkpoint because of where we are from.'

"And there is resentment here. Not just against the Syrian authorities but the urban elite. 'All they care about is making sure nothing happens to their fancy cars and apartments,' Abu Mohammed's wife told us, referring to the people of Damascus.

Khodr quoted Stephen Starr, a journalist who stayed in Damascus, explaining that the districts in revolt since the start of uprising "are working-class neighborhoods," citing economic reasons for the origins of the revolt.

In the August issue of *Harpers*, Anand Gopal described how these class dynamics played out in the political and social restructuring of the town of Taftanaz once its workers threw out the regime's forces.

Describing the origins of the town's popularly elected councils, he reports that once the regime left, "courts stopped working, trash piled high on the streets, and the police stayed home," so "to fill the vacuum, citizens came together to elect councils—farmers formed their own, as

did merchants, laborers, teachers, students, health-care workers, judges, engineers, and the unemployed."

Council members made sure that the town's richest citizens bore the brunt of the expense of rebuilding the town in the wake of Assad forces' destruction. Said one: "This is a revolution of the poor! The rich will have to accept that." Said another: "We have to take from the rich in our village and give to the poor."

Gopal also described elections by the town council to nationwide bodies representing all the councils. And he included several choice quotes from Tantaraz residents, most of whom have faced Assad's bullets in battle, criticizing SNC and FSA top leaders as lazy fakers representing no one but themselves.

The precious gains of the revolution in Tantaraz show the potential for a reconstructed Syria if its workers, peasants, women, and youth can gain power. But for that to happen, the country's exploited will need to deepen the reach and program of their mass organizations, and to forge a revolutionary party to advance that process. One obstacle in the way of doing so are the traitorous "leaders" of the SNC and similar groups welcoming imperialist intervention.

And the main obstacle is intervention itself, making clear once again the responsibility of antiwar activists in the U.S. to demand that Washington keep its hands off Syria. ■

New Dynamics in Turkey-Syria conflict

By YASIN KAYA

The growing influence of the Democratic Union Party (PYD), a Kurdish independence group linked to the Kurdistan Workers' Party (PKK), is an unexpected problem for establishment forces that counted on Turkish aggression against Syria going down smoothly. The PKK has been fighting the Turkish state since 1984 and is considered a "terrorist" organization by Turkey, the EU, and the U.S.

As Reuters News reported on July 25, the Syrian towns of Amuda, Derik, Kobani, and Afrin are under PYD control. According to the Kurdish-Turkish Firat News Agency, Obani, Afrin, Cindirès, Dêrka Hemko, and the villages of Senceq, Til Ziwan, and Til Cihan in Tirbespî are also under PYD control.

This followed the Hawler Agreement (July 9-10), which united all Syrian Kurdish groups in a Supreme Kurdish Council (ENSK) and in the formation of popular defence forces to control the region. Massoud Barzani's bourgeois Kurdistan Democratic Party, an ally of Ankara, was the guiding force behind this agreement, which upset the Turkish rulers.

Moreover, according to our regional sources, Kurdish struggles in Iraq, Syria, and Turkey are now closer than ever to achieving unity in action. Massoud Barzani's bourgeois Kurdistan Democratic Party feels increasing grassroots pressure to support the PYD and PKK.

This will expand the Turkish-Kurdish conflict into new fronts. Turkish jets already fly over Iraqi territory to rain aerial attacks on Kurdish guerrilla forces. And on July 26, Prime Minister Erdogan stated that Turkey is ready to intervene in Syrian territory to strike against the PYD.

Certainly, as the Turkish state facilitates the imperialist assault against its former ally, the dictator Bashar Al-Assad, and against the sovereign Syrian people, it is reaping the unintended consequences of its aggression. Thus, the rise of the PYD in the region fills the power vacuum resulting from the decline of the Assad regime's authority in northern Syria.

This writer recently spent a month in Turkey, during which time I observed that popular support for war against Syria is minimal, despite the 49.8 per cent support for Erdogan's party in the June 2011 election. The Turkish government knows it must manipulate public opinion to generate support for, or at least acquiescence to, intervention against Syria. As its violence against its own Kurdish citizens escalates, Turkey's rulers chastise the Assad regime for supporting Kurdish "terrorists." This couldn't be more wrong. The Kurdish movements grow despite the repressive Assad regime and the bourgeois Syrian opposition. In fact, two years ago, Erdogan and Assad signed agreements to battle Kurdish guerrillas in their own territories.

In addition, the business media in Turkey increasingly

misinform the public about the conflict in Syria. They argue that the Assad regime represents a Shia minority and tyrannically rules over a Sunni majority. They seek to agitate the Sunni-majority Turkish population against the Assad regime. However, extensive research is not required to recognize that the Assad regime has been backed by the Sunni bourgeoisie. Provoking the Sunnis and Shias to fight each other in the Middle East would have further devastating consequences. Repeated Sunni-Shia clashes in Iraq demonstrate this point.

The Turkish state at present has three objectives: (1) Act in accordance with Washington's imperial designs on the region and use the Muslim Brotherhood to increase its political influence. (2) Expand the market of Turkish business in the region. (3) Fight and defeat the Kurdish independence movement. Against these aims, the international workers' movement should build antiwar alliances; critically support the Kurdish independence movement against the pro-imperialist forces; and expose the misrepresentation of the imperialist war against the Syrian people as a Sunni-Shia conflict.

The upsurge of the Kurdish people in Syria is independent of both the Assad regime and the various other armed opponents of the Syrian government. But like other national liberation movements, it contains progressive and reactionary elements. Worldwide workers' struggles against imperialism and in solidarity with the working people of Syria will help the progressive elements to lead the Kurdish movement, and open the road to the socialist revolution in the region. ■

By GAETANA CALDWELL-SMITH

"Beasts of the Southern Wilds," directed by Benh Zeitlin, written by Lucy Alibar from her play, "Juicy and Delicious."

"Beasts of the Southern Wilds" is one of the most unusual and original films I've seen in a long time. It is haunting, magical, and raw. The movie was adapted from a play by Lucy Alibar called, "Juicy and Delicious," about a 10-year-old boy and set in Georgia. She and her filmmaker friend, Benh Zeitlin, who ended up directing, changed the lead to a girl and moved the setting to the bayous outside New Orleans. The cast was made up of locals from the area.

"Beasts" stars and is narrated—more occasional philosophical musing than straight-ahead narration—by a button-nosed, 10-year-old marvel of a girl, Quvenzhané Wallis, who is not a trained actor, but can naturally and instinctively act circles around current child movie stars. She plays wild-haired Hushpuppy, who lives with her father, Wink (Dwight Henry, also a non-actor who is a baker in real life) in a Louisiana lowland backwater.

Their relationship is detached in more ways than one. They are survivors of a previous hurricane and flood that left them and their neighbors isolated on small spit of land they call the Bathtub, a makeshift community where everyone knows and accepts one another. They are a happy, responsible mixture of poor whites, Hispanics, and Blacks—rough-edged women and men whose hard lives are written on their faces and bodies, who live in wooden shacks and houseboats. Some of Hushpuppy's friends are blond, freckle-faced kids. There's a school and, of course, a saloon; and a sort of clinic.

Wink lives in a wreck of a mobile home across from his daughter's equally wrecked trailer; between them is a stretch of wilderness where junked, rusting appliances are strewn about, covered by a tangle of vines, trees and shrubs. Chickens and pigs wander freely about. Dinner consists of his literally throwing a just-killed and plucked chicken on a makeshift barbecue. He alerts her when it's done by pulling on a rope hung with a bell strung between the trailers.

Life in the Bathtub



Her mother, who vibrated such heat she "could turn on the stove just by moving past it," had disappeared when Hushpuppy was a baby, presumably to the local whorehouse across a wide canal. Wink paints a picture of her that is pure poetic imagery. One scene depicts her and Wink sailing on the canal in a makeshift boat, gazing out across to the concrete levy beyond which refineries spew toxic waste from their towering smokestacks.

Right away we see that Hushpuppy, who wears shorts, a tank top, and calf-high white rubber boots to traverse the wet, spongy land, is truly connected not only to the Earth, but the universe. The child tells us what she sees and what she thinks about the creatures who are as alive to her as the humans who populate the Bathtub. They do not fear the girl. Birds and small animals allow her to hold them to listen to their heartbeats.

Wink is an alcoholic who disappears for days, leaving her to fend for herself. She is a prescient child who sees in her mind's eye mountainous chunks of ice calving from glaciers, and heaving seas, portending their rise caused by global warming. In one such

scene, we see through her eyes prehistoric beasts like a cross between a mammoth and a wild boar, frozen, beneath the ice. As the film progresses and the ice

melts away, the multi-tusked beasts appear ready to break free, and do. They charge after Hushpuppy in a startling, suspense-filled scene. Make what you will of what these beasts symbolize. Zeitlin filmed Hushpuppy's imaginings, created painterly by cinematographer Ben Richardson, so that they segue seamlessly from her surroundings.

Local authorities patrolling the canals and bayous warn residents that a hurricane is due and that they have to evacuate. Most opt to stay put, including Hushpuppy and Wink, along with a few diehards who shelter in the saloon as the thunderous, apocalyptic-sounding storm approaches, passes over them and dies. (Some shots of the aftermath of the storm reminded me of the horrific scenes of New Orleans' Lower 9th Ward

after Hurricane Katrina.)

Again, authorities arrive and insist people come to be checked for water-borne diseases. A few resist violently and once sedated are brought in. The contrast between life in Bathtub and antiseptic scenes of the clinic and to see Hushpuppy in a radically different guise makes you sense what the people feel: manipulated and trapped.

Once back home and now truly cut off, the people decide to live on their own: grow their own food and raise their own meat. And they do for a time, until changes in the water surrounding Bathtub as a result of the hurricane and the levies impel Wink and others to act. Here, I questioned the writers for not having the Bathtub perpetrators of obviously illegal acts face some consequences.

Still, overall, the film isn't about that. It's about having reverence for all living things, recognizing the negative impact humans have made and continue to make on the earth, the seas, and the atmosphere surrounding this lovely blue planet, and instilling in us the need to do something about it now. ■

'Parliamentary' coup d'etat in Paraguay

By FRANCK GAUDICHAUD

On June 22, the Paraguayan Senate removed centre-left President Fernando Lugo, following a procedure of "political judgment of destitution": a parliamentary manoeuvre that is admittedly provided for by the Constitution, but whose expeditious nature (done within 24 hours!) has been widely denounced by Paraguayan social organizations and by several governments of neighbouring countries. Evo Morales (Bolivia) denounced what he considered to be a "parliamentary coup."

Lugo, known as "the bishop of the poor," [he was a former Catholic bishop] who was elected in 2008 with the support of the popular classes against the candidate of the oligarchy, accepted the reality of this destitution, while denouncing an illegitimate act which "damages Paraguay and its democracy." The Right has thus sought—and been able—to use to its advantage a bloody confrontation in the Northeast of the country, which recently led to the death of 17 people [11 landless peasants and six police officers who had been trying to evict them], dramatic events which could, according to several sources, be the result of police provocation.

Three years after the coup in Honduras, the ruling classes are once again trying to keep the initiative and especially to stop social and peasant struggles: the key to this country remains the control of land, in a situation where 80 per cent of the land belongs to 2 per cent of the population, as well as to powerful transnational agribusinesses such as Cargill and Monsanto. The Paraguayan people is thus suffering the disastrous ecological, political, and social consequences of a narrowly-based economy: exports of soya beans (often transgenic) represent 40 per cent of national exports and are worth more than \$ 2 billion.

The Lugo government was, from the

beginning of its term of office, marked by weakness and beset by many difficulties. His election victory undoubtedly marked a political turning point and represented a broad aspiration for social and democratic transformation, ending 60 years of hegemony of the Colorado Party, the corrupt and reactionary pillar of the dictatorship of general Stroessner (1954-1989).

However, without a powerful political party to support him, without an organized social base and very much in a minority in Parliament, Lugo chose to negotiate with the liberal elites and with defectors from the Right in order to govern. Today, following this destitution, it is precisely his former Vice-President, Federico Franco, member of the Authentic Radical Liberal Party (a conservative formation), who takes over the Executive, for the greater happiness of the traditional oligarchy and transnational capital.

In the end, Lugo opted more for the in-



(Above) Deposed Pres. Fernando Lugo.

stitutional set-up and for parliamentary negotiations, abandoning little by little an ambitious programme of reforms, rather than relying on a social move-

ment, admittedly still very weak and fragmented, but with a huge potential of organization from below. This is a major lesson for the progressive governments of the region, at a moment when in Bolivia tensions are building up, with – very recently – police mutinies that some left activists feared could turn into a coup.

While strongly condemning the "legal" coup and any repression of social struggles, it is urgent to mobilize in a unitary way to denounce the situation in Paraguay and the existence of a de facto government.

We also call for support for the ongoing peasant mobilizations for a radical land reform, the only way to begin to really democratize Paraguayan society. ■

From International Viewpoint. Franck Gaudichaud is a lecturer at the University of Grenoble-3 and a member of the New Anticapitalist Party in France. He is co-president of the association France Latin America and is on the editorial committee of the site www.rebellion.org, and in the review *ContreTemps* (contact: franck.gaudichaud@u-grenoble3.fr).

Nursing home workers fight concessions

By ERNIE GOTTA

HARTFORD, Conn.—As of Aug. 1, nearly 700 SEIU 1199 workers are on strike at various nursing homes in Connecticut due to the unfair labor practices of HealthBridge Management. HealthBridge is owned by the Straus brothers of New Jersey, who report annual profits of \$45.5 million dollars.

The National Labor Relations Board issued a formal complaint against HealthBridge on July 6, stating that the company had "failed and refused to bargain in good faith" with its workers. Healthbridge attempted to divert their dirty dealings by claiming that nurses and housekeepers had committed acts of sabotage at the outset of the strike, which harmed patients. These lies are exposed each day as family members of the patients wave, smile, and honk their car

horns in support of the striking workers.

Democrat Gov. Dan Malloy, who is working to bust up Connecticut public sector unions, ironically said, "What HealthBridge is attempting to do illegally is to break the union." Malloy's statement leaves one to believe that if the company took legal measures to break the union it would be fine with him.

Malloy has consistently acted as the quiet torch bearer of austerity in comparison to the slash-and-burn policies of Gov. Walker in Wisconsin. Malloy is pushing an increasing number of social services toward privatization, attempting to break public-sector unions, and legislate the dismantling of public education.

Whatever the obstacles bosses or politicians may throw in their way, the rank-and-file workers are enthusiastic and up to the challenge. Solidarity from the community and other unions will be a key element of sustaining this strike.

Socialist Action is in full support of the Healthbridge workers' fight to save their pensions, health care, jobs, and union. We urge Connecticut workers and unions to show their solidarity by joining the picket lines. ■

Battles rage in Syrian cities as risk grows of U.S. intervention

Bulent Kilic / AFP / Getty Images



By ANDREW POLLACK

In early August, the battle for Aleppo still raged between government and opposition forces, with each side taking, losing, and retaking neighborhoods. The heavily outgunned rebels—and the city's civilian population—faced murderous attacks by regime helicopters, tanks, and artillery.

Aleppo is Syria's biggest city and its most important economically. As such it is home of the largest segment of the country's predominantly Sunni bourgeoisie—President Bashar al-Assad's main social base of support—as well as of the country's working class.

Many observers on all sides of the conflict predicted that the battle for Aleppo, coming right after unprecedented fighting in the country's capital, Damascus, could represent a turning point heralding Assad's downfall. Or it could instead be the opening salvo in a new, much more bloody phase of the fighting, one perhaps that would eventually rival in scale the 1982 massacre in Hama of tens of thousands by Assad's father.

In either case, antiwar and solidarity activists in the U.S. and other imperialist countries must be keenly aware of the heightened danger of intervention, as Washington and its allies try to take advantage of these events, and we must step up organizing efforts against such moves: U.S./NATO, hands off Syria!

The battle of Aleppo followed hard on the heels of a shorter but tremendously symbolic fight over neighborhoods in the country's capital, Damascus. Following the assassination of several key regime figures in a bombing attack, opposition forces launched their first major attacks in the capital. When it became clear that Assad would obliterate the people and buildings of any rebel-held neighborhoods, opposition forces beat a tactical retreat. Still, the combination of the bombing and the street battles had an impact roughly akin to the 1968 Tet offensive, in which Vietnamese forces suffered massive casualties but won a huge psychological victory by proving they could strike anywhere against U.S. forces, even in Saigon.

The psychological blow suffered by the Assad regime in Damascus likely explains the apparent willingness of the rebels to stand their ground in Aleppo, a stance made easier by the difficulty the regime has had finding forces to fight there without seriously depleting its troops in the rest of the country.

One area lost to the regime and of particular concern to it is that along the border with Turkey. The regime's defeat there has imperialists licking their chops at the prospect of setting up a "no-go" zone for regime forces and facilitating transfer of arms and personnel to those parts of the opposition that have been working



One danger is that the U.S. will try to anoint a post-Assad regime with pro-intervention 'rebels' or defecting Assad loyalists.

with imperialist and Gulf states.

The New York Times reported: "The secretary of state, Hillary Rodham Clinton, speaking as though the Syrian insurgency's momentum was now unstoppable, said its territorial gains might be leveraged into safe havens. 'We have to work closely with the opposition, because more and more territory is being taken and it will, eventually, result in a safe haven inside Syria, which will then provide a base for further actions by the opposition.'"

The U.S. has expressed reluctance to intervene directly with either air power or ground troops, or even to supply much in the way of arms to the rebels. So it's possible the rebels will oust Assad before such a "safe haven" becomes a reality. The more likely and dangerous possibility is the anointing by Washington of a post-Assad regime in meetings outside the country with pro-intervention leaders of the Syrian National Council, or perhaps also from its newly-created rival, the Council for the Syrian Revolution.

Those eager to ride to power on the strength of Washington's blessings (if not from any actual participation in battle) will also have to contend with the possibility of a Yemen-style solution, i.e., the removal of the regime's top figure but the maintenance in power of the bulk of his regime. As the Battle of Aleppo advanced, U.S. officials made increasingly clear their desire for that type of solution. Claiming to have learned from their "mistakes" in Iraq in ousting the entire Baath from power rather than just Saddam Hussein, they argued that "stability" in a post-Assad Syria will require a strong state, including its military, which can only be provided by current regime figures.

U.S. Defense Secretary Leo Panetta told the media that "I think it's important when Assad leaves, and he will leave, to try to preserve stability in that country. The best way to preserve that kind of stability is to maintain as much of the military and police as you can, along with security forces, and hope that they will transition to a democratic form of government."

In a similar vein, *Foreign Policy* magazine, reporting on months of talks between U.S. officials and SNC figures under the auspices of the U.S. Institute for Peace (USIP), noted that the project also "tried to identify regime personnel who might be able to play an effective role in the immediate phase after Assad falls. 'There's a very clear understanding of the Syrians in this project that a transition is not sweeping away of the entire political and judicial framework of Syria,'" said USIP's Steven Heydemann.

Meanwhile, perhaps in an effort to prepare public opinion for the maintenance in power of such thugs, Washington and its media allies have stepped up propaganda about an alleged takeover of the opposition by "Islamists."

A typical article was that in *The New York Times* on July 29 ("As Syrian War Drags On, Jihadists Take Bigger Role"). Yet the further one gets into the article the more one finds the authors, Neil MacFarquhar and

(Above) People from the village of Kafranbel (Kfar Nibl), known for their pointed and witty slogans.

(Left) Woman mourns her son, killed allegedly by government sniper in Aleppo on July 25.

Hwaida Saad, undermining their own premises.

The reporters start with the claim that "as the uprising against President Bashar al-Assad's government grinds on with

no resolution in sight, Syrians involved in the armed struggle say it is becoming more radicalized: home-grown Muslim jihadists, as well as small groups of fighters from Al Qaeda, are taking a more prominent role and demanding a say in running the resistance." But the authors admit: "Even less-zealous resistance groups are adopting a pronounced Islamic aura because it attracts more financing."

And the authors report examples of local grassroots rejection of such groups. One such group demanded their battle flag be flown during the weekly Friday demonstration in Saraqib. The town, says *The Times*, "prides itself in its newly democratic ways, electing a new town council roughly every two months, and residents put it to a vote—the answer was no. The jihadi fighters raised the flag anyway, until a formal compromise allowed for a 20-minute display."

"A lot of the jihadi discourse has to do with funding," noted Peter Harling, an analyst with the International Crisis Group. "You have secular people and very moderate Islamists who join Salafi groups because they have the weapons and the money."

The paper also admitted that "there is, as yet, no significant presence of foreign combatants of any stripe in Syria, fighters and others said. The Saraqib commander estimated there were maybe 50 Qaeda adherents in all of Idlib, a sprawling northwestern province that borders Turkey.

"An activist helping to organize the Syrian military councils said there were roughly 50,000 fighters in total, and far fewer than 1,000 were foreigners, who often have trouble gaining local support." That activist "described one local leader in Binnish, a town near Saraqib, questioning the religion of Ahrar al-Sham members who he thought were kidnapping too many local Shiites. He told them, 'Damn your religion — who is this God of yours you are bringing? I have been a Muslim for 40 years, and this is a God we don't know,' Rami said."

Class forces in the revolution

The continuing grassroots support for the revolution, and its base in the country's exploited classes, was illustrated in an account of the waves of refugees fleeing the fighting. *Al Jazeera's* Zeina Khodr wrote on July 28 that "those who were crossing into Lebanon over the past week or so to escape the fighting in Damascus were either supporters of the government or simply those who didn't take part in the uprising. They arrived in fancy cars—others headed to hotels. They were in shock—very few actually believing that the violence over the past year and a half finally reached their doorsteps.

"A few hundred meters from the Manaa border crossing, Syrians who also fled the fighting were taking refuge in a school. Many of them from Homs—the capital of their revolution—and Deraa—the cradle of their revolution. None of them crossed into Lebanon through the official borders. They used illegal routes

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