

# In Defense of Marxism

\$3.00

**GM Workers at Flint Fight to Save Jobs**  
**Puerto Rico General Strike Against Privatization**  
**Frank Lovell (1913-1998)**

**Are "The Troubles" in Ireland Over?**  
Feature article by Bill Onasch

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# From the Managing Editors

**W**e begin this issue with a brief tribute to our founding editor, Frank Lovell, whose wise counsel, unflagging spirit, and bountiful contributions were an irreplaceable source of strength for our magazine. A special issue devoted to Frank, including reprints of some of his writings, is planned for later this year. It will be sent to all readers. A memorial meeting in celebration of Frank's life will be held at the Tamiment Labor Library of New York University on Sunday, September 20.

Because of Frank's death, and logistical difficulties connected with it, we had to omit a May-June issue for this year. We ask our readers' patience and hope to make up for this omission with the special issue on Frank Lovell.

The main focus of the present "July-August" issue is the intensifying fightback by working people in this country and internationally against a system that does not meet their needs, that drives down living standards, that takes from the poor and gives to the rich.

In Puerto Rico, a publicly owned telephone company, modernized, efficient, serving the public, is being sold off as a plum to private capitalists — and jobs will be eliminated. Organized labor, with the majority support of the population, mobilized in a national strike to oppose this sellout, as described in several reports in this issue. Further protests are scheduled for August in Puerto Rico.

In Flint, Michigan — and elsewhere in the General Motors empire — workers are fighting to save jobs, as discussed by Peter Solenberger.

In New York City, building trades workers shut down the city for half a day to protest a public contract awarded to a non-union company. They, too, are fighting for their livelihoods. We carry two reports on that struggle.

New York labor officials, admitting that "the political perspective of labor and working people has no voice" in the present two-party system, are making half-hearted moves toward a "labor-based ballot line." We reprint, with commentary, a *Village Voice* article about that, along with a letter from the New York state officers of the Labor Party.

In California, organized labor came from behind and won a referendum to protect the right of workers to engage in political action. Two items by Bill Onasch discuss the issues involved in this so-called "paycheck protection" scam. We discuss that and related issues as well in a report on the Labor Party's

progress as its First Constitutional Convention, in Pittsburgh in November, draws closer.

In the Teamsters union the struggle continues between reform forces and the old guard, represented by James Hoffa Junior. Charles Walker updates us on the latest developments there. We are printing four separate articles on this struggle because of its critical importance for the entire union movement in the U.S. In this struggle various elements of the U.S. government (courts, Congress, etc.) are rather blatantly favoring Hoffa and the old guard. In this connection, Jerry Gordon takes a useful look at some of the history of government actions against unions in behalf of the employing class over the past century and more.

## International Coverage

In Russia nowadays workers have to fight just to be paid. We print two reports by Moscow-based Renfrey Clarke describing how Russian workers are escalating their battle. Significantly, union officials in Russia also are being forced to consider independent political action. The coal miners, whose strikes and mobilizations in 1989-91 helped Yeltsin gain power, are now totally disillusioned with his "market reforms." They are demanding Yeltsin's resignation and the renationalization of the coal mines.

In Indonesia, the end of the bloody 32-year dictatorship of General Suharto, loyal servant of multinational corporations and the tiny minority of wealthy Indonesian capitalists, is described by B. Skanthakumar. There, too, workers are organizing independent unions and face the challenge of taking political action in the interest of the majority of the population — workers, peasants, students, and the urban poor.

Muchtar Pakpahan, who heads the independent union SBSI and who was jailed and threatened with execution by the Suharto dictatorship, has been released thanks to an international campaign in his defense, including by the AFL-CIO. His activities and those of the SBSI, however, are still being restricted by the Indonesian military, who continue to dominate that country. Dita Sari, a young woman leader of another independent union, remains in prison. A campaign to win her release, and the release of other union activists, must be a priority for the labor movement worldwide.

Behind the mass rebellion in Indonesia looms "the Asian crisis." Workers in South Korea, too, are fighting back against the attempt to make them bear the burden of the

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# Frank Lovell: A Long Life Devoted to Labor and Socialism

## Statement by *Bulletin in Defense of Marxism*

*The information in this article was prepared by George Saunders and Paul Le Blanc. Contributing to it, in writing or orally, were Miriam Braverman, Dorothea Breitman, Randy Furst, David Jones, Joan Lovell, Jack Maloney, Rita Shaw, Debbie and Michael Steven Smith, and Jean Tussey.*

**F**ranks Lovell, the founder and first editor of *Bulletin in Defense of Marxism*, our beloved comrade, adviser, and friend, is with us no more. He died in New York City May 1 of a heart attack at the age of 84.

His political commitment and analytical insight, widely appreciated in left-wing and labor circles, will be sorely missed — as will his warmth, avid intellectual curiosity, adroit sense of humor, and engaging interest in persons of all ages and backgrounds.

Frank was born on July 24, 1913, in Ipava, Illinois, a farming town where his father was a local entrepreneur. In the early 1930s he attended the University of California's radical Berkeley campus, earning a bachelor's degree in philosophy. Attracted to a revolutionary and democratic variety of socialism often associated with Eugene V. Debs and the militant Industrial Workers of the World (IWW) as well as the idealism of the early Communist movement, he joined the Workers Party of the United States, led by James P. Cannon and A.J. Muste. This was in 1935. His active participation in the socialist and workers movement began then, in the wake of the great San Francisco general strike, and never ceased.

In 1936 he got his permit to sail and joined the Sailors Union of the Pacific. His experiences in the maritime industry, and research on it, became the basis for a later book which he wrote under the pen name Frederick Lang (*Maritime! Pioneer Publishers, 1943*). Frank recounted many of his sailors union experiences with characteristic humor and insight in a memoir about the leading figure of American Trotskyism. (See *James P. Cannon As We Knew Him*, New York, 1976. A footnote in this book explains that Frank "worked with Can-

non in the Bay Area in 1936-37 and then in New York starting in 1938.")

In 1938, Frank was of course a founding member of the Socialist Workers Party, and for many years played a leading role in that organization, especially in trade union work. For most of the period from 1942 to 1983 he served on national leadership bodies of the SWP.

James P. Cannon had this to say about Frank Lovell at the 1942 SWP convention, where Frank was elected to the party's National Committee: "Comrade Lang [Lovell]...is one of the oldest party members in the maritime fraction, who combines both trade union and political experience. As a representative, in a way, of the maritime section of the party, which is a very strong and valuable one, he is the one who is the favorite of the maritime comrades, and belongs on the list [of the National Committee]."

Cannon described Frank and two other worker cadre, Larry Trainor and Art Burch, also elected to the National

Committee, as "first class selections. They were the best that were in action."

Cannon's remarks were printed in the collection of his writings entitled *The Socialist Workers Party in World War II*, published in 1975. A note about Frank Lovell in that collection states in part: "Lived in New York during the war, shipping as a merchant seaman. Since late 1960s has been national trade union director of SWP and labor columnist for *The Militant*."

During World War II, Frank worked as a seaman in the merchant marine, serving in all theaters of the war. On a return trip from delivering aid to the Soviet Union, his ship was blown up by a German mine near Iceland; he was one of the few crew members to survive and later received formal appreciation from the Russian government.

It was during the war that Frank completed his book on the maritime industry. Opposition caucus members in the maritime union found his book especially helpful in their fight against the bureaucratic leadership that collaborated with employers and government against members' interests.

After World War II, during the witch hunt against radicals in the unions, Frank, along with other socialists, was forced out of the Sailors' Union of the Pacific (1949). In Portland, Oregon, he had edited *The Defender*, a rank-and-file paper opposing the conservatism and anti-left purges then triumphing throughout the maritime industry and unions.

In the early 1950s Frank moved to Detroit with his wife and comrade, Sarah, and their infant daughter, Joan. There he found a job at General Motors in a unit that designed new automobile models. A skilled and diligent craftsman, he was active as a member of the United Auto Workers union through most of the 1950s and '60s.

With close friends George and Dorothea Breitman, Frank and Sarah Lovell played an especially significant role in the Detroit labor and socialist movement. They initiated and maintained for many years the influential Friday Night Socialist Forum (later called the Militant Forum), a weekly series that drew a broad range of prominent trade unionists and working-class militants, civil rights and Black liberation activists,

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# National Strike in Puerto Rico Against Privatization of Phone Company

## Statement by General Council of Workers (CGT) of Puerto Rico

*The following statement was issued on June 30 by Renán Soto, president of the Puerto Rico Federation of Teachers and of the Concilio General de Trabajadores (General Council of Workers; CGT). The statement was posted on the Internet by César Ayala for the Puerto Rican Association of University Professors.*

**T**he Executive Meeting of the Broad Committee of Trade Union Organizations met on Monday, June 29, at 6:00 p.m., to set the date for the beginning of a national strike to oppose the privatization of the Puerto Rico Telephone Company.

Over five thousand delegates from trade unions and community organizations voted on Sunday, June 28, to approve a national strike of all workers in Puerto Rico against the privatization of the PRTC.

The assembly of the Comité Amplio de Organizaciones Sindicales, Cívicas, Religiosas y Culturales (CAOS — Broad Committee of Trade Union, Civic, Religious, and Cultural Organizations), which took place in the town of Carolina, east of the capital city of San Juan, brought together delegates from more than 60 unions in Puerto Rico, including the main public sector unions which are in the forefront of the struggle against privatization.

Union leaders asked yesterday for sufficient time to consult their organizations before setting a date for the strike. Today's meeting of the Executive Committee set the date of the strike, which will begin on Tuesday, July 7, 1998 at 6:00 a.m. No date was set for an end to the strike. The unions will evaluate the progress of the strike day by day.

### Labor Movement Confronts the Government

The labor movement in Puerto Rico is involved in a major confrontation against the government over the privatization of the Puerto Rico Telephone Company. This state-owned corporation is being sold by the administration of governor Pedro Rosselló to a group of investors led by GTE Corporation and the Banco Popular de Puerto Rico.

The two unions in the Puerto Rico Telephone Company (Independent Union of Telephone Workers, UIET;

and Independent Brotherhood of Telephone Workers, HIETEL) went on strike on June 18.

Over the last ten days, the Puerto Rico Police has deployed massive armed power against the pickets in front of the facilities of the Puerto Rico Telephone Company. The president of the Puerto Rico Bar Association (Colegio de Abogados), Fermín Arraiza, and the president of the Puerto Rican Commission on Civil Rights (Comisión de Derechos Civiles), Luis Aulet, have expressed themselves in the press against the "excessive use of force" on the part of the police of Puerto Rico.

The Bar Association has posted lawyers on the picket lines as observers to guarantee that the police do not violate people's constitutional rights. Broadcasts of police beating strikers have caused an outpouring of solidarity in favor of the strikers. Unions have collected over \$100,000 in donations for the strike fund from a sympathetic public which opposes the privatization of the phone company by a margin of two to one, according to local polls.

The powerful Electrical Workers Union (UTIER) went on a three-day strike last week. The Aqueduct Workers Union (UIA) walked out for 24 hours in support of the workers of the Puerto Rico Telephone Company. And the Teamsters have walked out in the ports.

Delegates from more than 60 unions from the public and private sectors approved the call for a "national strike" at Sunday's meeting. The starting date of the strike was set on Monday June 29 at 6:00 p.m. by the union leaders of the CAOS.

### "The People's Indignation"

The local press has reported widespread sabotage against phone lines and automatic teller machines in offices of the Banco Popular de Puerto Rico. Annie Cruz, president of one of the telephone

workers' unions (HIETEL) and spokesperson for the CAOS, declared on Sunday at the assembly that "the fiber optic cables have not been able to resist the people's indignation."

In response to recent declarations by the chief of police, Mr. Pedro Toledo, that students, faculty from the University of Puerto Rico, and other "outside agitators" are responsible for the violence in the picket lines, HIETEL president Annie Cruz explained today that the strike of the phone workers has become a national strike against privatization.

Police Chief Toledo is attempting to isolate the strike by associating it exclusively with pro-independence figures, portraying the strike as the work of "extremists." Toledo has singled out professors Rafael Bernabe and Julio Muriente of the University of Puerto Rico, Jorge Farinacci of the Socialist Front, and Ricardo Santos of the electrical workers as the "agitators" responsible for the strike.

### Strike Supporters Not "Outsiders"

Today in the Carolina assembly, HIETEL president Cruz thanked the broad sectors of the population which have shown up at the picket lines in support of the telephone workers, defending the lines against strikebreakers and the police, and providing physical and monetary support to the strikers. Students, faculty, members of other unions, and the public in general, who have provided strike support are not "outsiders," declared Cruz. They are part of a broad popular movement against the takeover of the phone company by a foreign corporation.

Women have played a critical role on the picket lines, and are in charge of the organization of security at critical sites such as Celulares Telefónica in Río Piedras.

## International Union Solidarity

# Message to Communications Workers Union of United Kingdom from Communications Workers of America (CWA) on Puerto Rico Phone Strike

by Eduardo Diaz

*This message, sent to the CWU, was posted on the Internet July 8, together with a response by Derek Hodgson, General Secretary of the Communications Workers Union (UK), who sent a strongly worded protest against the repression of Puerto Rico Telephone Company workers to Governor Rosselló.*

*Also, the Communications International, to which both the CWA and the CWU belong, called on all affiliates to send messages of solidarity to the striking phone unions in Puerto Rico, the UIET and HIETEL. Philip Bowyer, General Secretary of the Geneva-based Communications International, pointed out that "the CI Inter-American representative, Rodolfo Benitez, has already sent messages to the Governor of Puerto Rico supporting the strikers and messages to the Puerto Rico police condemning their actions."*

Telecom workers have been out on strike for 20 days now. Estimates are that 300,000 to 400,000 workers stayed away from work for Day One of the 48-hour general strike; public sector workers, which account for 200,000, did not work. The PRTC HQ saw some 8-10,000 folks.

The Teamsters and the other port authority unions closed all road access to the international airport for some four hours, causing a very tense moment. The miles-long traffic jam caused travelers to haul bags and walk.

Also today, after being forced by the courts, the police resumed wearing their numbered identity badges. Most had stopped wearing badges early on; others wore plastic toy badges; according to the police the wearing of bullet-proof

vests made it "impractical" to wear badges.

Governor Rosselló claimed that government services operated normally (not true), yet today the government requested an injunction; Rosselló also stated emphatically that there would not be a referendum over the sale of PRTC (a union demand).

### "If You Are Rosselló, Don't Jump"

The rally at PRTC was extremely spirited; it certainly felt more like a celebration than having a strike; the size of the crowd gave folks a sense of being in control of the event. There is a long-held tradition of composing music to fit whatever struggle is at hand. Very popular musicians have been enlisted, causing crowds to swell even more.

Organizers also introduced a "que no brinque Rosselló" chant, which means that if you are Governor Rosselló, then you are not to jump. When played, this results in thousands of people jumping up and down while the chant goes on for a few minutes at a time.

The general strike is to conclude Wednesday night (July 8), and striking telecom workers are getting very anxious to return to work; problem is that no concessions have been made by the government as of yet. A coalition of religious leaders is working to bring the two sides to the table. But they are far apart. The government does not want to back out of the sale of PRTC; the unions are insisting that a referendum be held. □

### "La Huelga del Pueblo" Against Privatization

Last week buttons and stickers on the picket lines characterized the telephone workers strike as "la huelga del pueblo" (the people's strike). In Carolina on Sunday, more than five thousand delegates voted for a "national strike" of all workers in Puerto Rico against privatization.

The struggle of the phone workers has become a line in the sand for the labor movement as a whole. Privatization has been advancing in education with a recent bill which takes money from public higher education in favor of private

universities; in health care, where many hospitals and clinics are being privatized; and in many other government agencies through subcontracting.

The surprising level of support for the phone workers is an indication of the accumulated effect of neoliberal policies of privatization. A coalition of workers who can expect layoffs and consumers who can expect higher prices for basic services is saying, loud and clear, that the neoliberal program of privatizing everything under the sun may be good for private capital, but is bad news for the average worker and consumer.

### Puerto Rico No Se Vende

This is the main slogan which has caught on. It expresses a combination of broad anti-market and anti-imperialist feelings among the population. Rendered into English, the slogan means both "Puerto Rico is not for sale" and "Puerto Rico does not sell out."

There has been a broad-based movement for some time in Puerto Rico against the privatization of the Puerto Rico Telephone Company. On October 1 of last year, for example, over 100,000 demonstrators converged on San Juan to protest government plans to privatize

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# Successful Two-Day "People's Strike" Against Privatization

by Carmelo Ruiz

*The following report from Puerto Rico on the two-day national strike on the island was posted on the "labr.party" discussion conference July 9 by Hal Leyshon of the Vermont LP chapter.*

Last night, the "People's Strike Against Privatization," a 48-hour-long nationwide work stoppage in protest against the privatization of the Puerto Rico Telephone Company (PRTC), concluded with a massive rally in front of the company's main offices. The stoppage was called by the Broad Committee of Labor Organizations (CAOS), a civil society coalition composed of unions and allied pro-independence, leftist, student, religious, and community organizations.

The participants in the "People's Strike" included, among others, the Puerto Rico Independence Party, the Socialist Front, the University Front Against Privatization, the Puerto Rico Workers' Central, the General Council of Workers, and member unions of the AFL-CIO.

The struggle over privatization in Puerto Rico is centered around the PRTC. Back in May, a majority stake of the company was sold to a consortium led by the U.S.-based GTE Corporation.

Governor Pedro Rosselló first announced his intention of selling the PRTC to the private sector in April 1997. In response, the CAOS carried out a general 24-hour work stoppage on October 1, 1997, which culminated in a rally of over 100,000 people in front of the San Juan capitol. It was the largest gathering of Puerto Ricans in history.

On June 19, PRTC employees started an indefinite strike against the company's privatization. The strike, now in its 20th day, has been marked by numerous violent clashes as riot police attempted, sometimes unsuccessfully, to break the picket lines. Dozens of arrests have taken place and on one occasion, on June 22, strikers were brutally beaten bloody and unconscious by police in front of press photographers and television cameras.

## All Major Commerce Shut Down

The strikers, who were spread all over Puerto Rico, very much succeeded in shutting down the economy during the 48-hour period that covered Tuesday and Wednesday. The major shopping malls were closed, as were most fast food outlets, supermarkets, Wal-Mart chain megastores, banks, the University of Puerto Rico, public transportation, hospitals, and even the docks and the airports.

Essential services, like water, electricity, and emergency medical attention, however, remained uninterrupted.

## Tense Situation at Airport

A particularly tense situation developed on Tuesday as members of the Teamsters, the Industrial Workers Union, the Aqueduct and Sewers Workers Union, and other unions successfully blocked the entrance to the international airport, located in the town of Carolina.

Anticipating the strikers' arrival, dozens of police were stationed in the area as early as 7:30 am, causing a mammoth traffic jam. Tempers were increasingly heated as the day wore on, and Puerto Rico police chief Pedro Toledo repeatedly told the demonstrators to clear the road in front of the airport.

Two hundred riot police, some mounted and some with long firearms, were about to charge at the strikers, some of whom were masked and had baseball bats, when Toledo and the union leaders reached an agreement: most of the police force would leave and the strikers would clear two lanes for traffic. The agreement was honored by both sides and so a major tragedy was averted.

## Police Escort Scabs

Several near-riots also occurred in the central offices of the Department of Education in San Juan, as police officers escorted employees who crossed the picket lines to report to work. Members

of the PR Teachers Federation (FMPR) used everything from persuasion to civil disobedience in order to dissuade the picket line crossers. Indeed, some were turned around, but others forced their way in with the help of police.

"Many of those strikebreakers are not even Education Department employees. They're agitators sent by [Rosselló's] New Progressive Party to provoke us," said an FMPR member at the picket line who refused to be identified.

Similar incidents took place in other government offices, but for the most part the "People's Strike" turned out to be a peaceful protest. Many Puerto Ricans had feared that it would be a tragic bloodbath.

The main rallies took place on Tuesday and Wednesday in front of the PRTC's main offices, which are located in the town of Guaynabo. Thousands of members of dozens of unions and other activist groups marched, blocking traffic for several blocks, while diverse musical performers, from traditional to rock music, provided entertainment.

## Annie Cruz: "Objective Achieved"

"This general strike has been a complete success. We have achieved our objective of paralyzing the country and established a historical precedent," said Annie Cruz, president of CAOS and of the Independent Brotherhood of Telephone Employees.

Nationalistic imagery permeated the strike. The strikers and their supporters waved Puerto Rican flags of all sizes in the picket lines and rallies. They view their opposition to neoliberal policies as a way of affirming Puerto Rico's nationhood and of countering assimilation to the United States. Governor Rosselló's NPP intends to make Puerto Rico into a state of the American union.

An increasing number of citizens from all ideological camps are calling for a dialogue to get out of the current impasse. A group calling themselves "Citizen Initiative" have called for a referendum on the PRTC privatization, and are beginning to gather signatures to that end. [A referendum on privatization of the PRTC is one of the main demands of the striking unions.]

## Petitions for a Referendum

"We believe that dialogue is the only way out of this conflict. If the governor wants a million signatures calling for a referendum, then we'll get them," said Citizen Initiative spokesperson Maria Judith Oliveras.

"We hope that this general strike will make the governor reconsider his position. I'm all in favor of a referendum on the issue," said father Pedro Ortiz, a Catholic priest who has devoted much of his time and energies since 1993 to establish a "Dialogue of National Reconciliation."

However, the governor steadfastly refuses to negotiate with the strikers or even to meet with them.

PRTC sale opponents are confident that they would win a referendum. Polls carried out by major local newspapers have concluded that a solid majority of Puerto Ricans oppose the sale of the phone company.

In the meantime, the indefinite strike of the PRTC workers continues. □

# Editorial on International Labor Solidarity

**S**truggles against privatization this year in Mexico and Puerto Rico have brought closer collaboration between, on one side, the unions in those neo-colonial parts of the world and, on the other, organized labor in the U.S., the industrial heartland of the corporate American empire.

This increased union solidarity is not necessarily the conscious desire of union leaders. It happens more by force of circumstance as the unions seek to counter the effects of NAFTA and various acts of privatization that benefit big U.S. corporations but hurt U.S. workers just as they hurt the workers in Mexico, Puerto Rico, or elsewhere.

As reported in the March-April issue of this magazine, privatization of parts of the government-owned rail system in Mexico — with the giant U.S. corporation Union Pacific as one of the main new owners — led to wildcat strikes by Mexican rail workers protesting the consequent loss of jobs and elimination of the previously existing labor contract. A fact-finding solidarity visit to Mexico

by U.S. rail unions and Teamsters, organized by the AFL-CIO, soon followed. Salvador Zarco, the head of a rank-and-file group of Mexican rail workers opposing privatization, has now been invited to speak before a regional meeting of the United Transportation Union in Houston, Texas.

In Puerto Rico, many U.S. unions have locals or affiliates — for example, the Communications Workers, Teamsters, Service Employees International Union (SEIU), Unite, Seafarers International Union, and United Federation of Teachers. Many are involved in the fight against privatization of the Puerto Rico Telephone Company. A representative of the AFL-CIO, Jimmy Torres, was listed as one of those present at the CAOS meeting that voted on June 28 to call the national strike against PRTC privatization. A CWA report on the national strike is printed elsewhere in this issue.

In the current GM strike, too, there are ramifications involving Mexican workers. It is reported that GM is now

the largest private-sector employer...in Mexico! Demands for job security, that jobs not be exported south of the border, are key to the fight being waged by GM workers in Flint, Michigan. The *New York Times* provocatively quoted a Mexican mayor (no doubt part of the corrupt and repressive pro-business, one-party regime in that country) complaining about American workers not being willing to work for less.

The logic of NAFTA and the general trend toward "globalization" is to free investment capital to go without restrictions to wherever wages are lowest. Solidarity among unions across borders is a most effective way to counter this trend. A fight to raise the wages of all workers, internationally, is essential if the relatively well-paid workers in the imperial heartland are to protect their standard of living. Also essential is a labor party that can make laws to protect working people at home and abroad, instead of leaving the field clear to the bipartisan bosses' parties, whose laws always favor the corporate fat cats. □

## National Strike in Puerto Rico Against Privatization of Phone Company

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the PRTC. That mobilization was the largest demonstration of any kind ever to take place in Puerto Rico.

### Background

The PRTC is an efficient government-owned enterprise. [The company was nationalized in the 1970s and modernized with the latest high tech equipment,

such as fiber optic cable. Its consequent earning power makes it a real plum for private owners. — *Eds.*] Governor Pedro Rosselló's attempt to privatize the PRTC is due to an abstract commitment to a neoliberal economic program, not to any reality of inefficiency in government enterprise, as has been claimed.

In fact, consumers who still remember the time when the local phone company was privately owned by International Telephone and Telegraph agree unequivocally that under government ownership the PRTC has provided better and more efficient service than its private predecessor. If the privatization plan is carried out, at least 2,700 workers will lose their jobs in the immediate future, and many more will lose their jobs over the medium term. □

# Thoughts on the GM Flint Strikes

by Peter Solenberger

*The following article was posted on the "labr.party" discussion conference of the Institute for Global Communications computer network. The author is a member of the Detroit Metro Chapter of the Labor Party.*

**D**etroit-area Labor Party members have been going to the picket lines at the GM Flint Metal Fabricating and Delphi plants (where strikes that began in early June have led to the shutdown of virtually all GM production in North America).

Most of the LP members going to the picket lines are veterans of the Detroit newspaper strike. For months we picketed the Detroit News and Free Press North Plant, and only twice were we able to shut it down. As you may recall, mass picketing shut the plant on the nights of September 2 and 9, 1995. Then a local judge issued an injunction against the picketing, and the local unions' Newspaper Council caved in.

It was sheer joy for us to see mile after mile of GM plants silent and idle, totally shut down. It reminded us of the power of organized workers.

The strikers' spirits were high. "We're costing them \$75 million a day," picketers told us proudly. We talked of the Detroit newspaper strike. "They'd better not try to run these plants," the workers said. "We'd be back with two-by-fours, and there aren't enough cops in all of Flint to stop us."

Yet the workers were uneasy. There were only six to twelve pickets on each of the twenty or so gates at the two plants. The strikers were assigned two to

four hours of picketing a week, enough to cover the gates twenty-four hours a day, seven days a week, but not enough to really involve them in the strike.

The workers at both plants had voted to strike last December, but they'd only now been given permission to go out. The timing seemed bad, since GM was shutting down for model changeover anyway. Workers would be forced to take their vacation to strike an already idle plant.

Workers speculated that UAW President Steve Yokich may have wanted a strike during the UAW Convention to silence dissent. Dave Yettaw, former president of Flint Local 599 and a key New Directions leader, had gotten the top vote for Local 599 Convention delegate. Other New Directions candidates had won too. Yokich had to be unhappy about that. (New Directions is a rank-and-file opposition caucus in the United Auto Workers union.)

Most of the strikers had twenty or more years seniority. They remembered when the UAW had 1.5 million members, and 75,000 worked in the Flint GM plants. Now the UAW is down to about 750,000 members, and only 35,000 work in the Flint GM plants.

Those of us who'd come up from Detroit remembered when Chrysler and

Ford downsized in the 1980s. Over the past few years GM has been trying to catch up. Having agreed to downsizing at Chrysler and Ford, the UAW leadership wasn't likely to resist it at GM.

Yokich claimed the strike was about saving jobs. Really, it was about the rate at which they'd be eliminated. GM said "Now," and the UAW leadership said "Over the next few years."

Either way, the jobs wouldn't be there for the strikers' children, and they knew it. Hence the unease, despite the immense show of workers' power.

The LP members came away from the picket lines acutely aware that business unionism can't solve the problems workers face.

The UAW leadership firmly believes in capitalism, at least in the sense that they see no other way. When Chrysler said it needed concessions to avoid bankruptcy, the UAW leadership agreed. When all three U.S. auto companies said they needed concessions to compete with Japanese auto companies, the UAW leadership agreed. When Chrysler and Ford said they needed to downsize to compete globally, the UAW leadership agreed. Now when GM says it needs to downsize, the UAW leadership is finding a way to agree.

The workers need a class-struggle response. "We don't give a damn about your need to compete. The jobs are ours. Our labor productivity has risen, so fewer hours are needed. We'll cut the work-week with no loss in pay. If that's inconsistent with your profit-making, so be it."

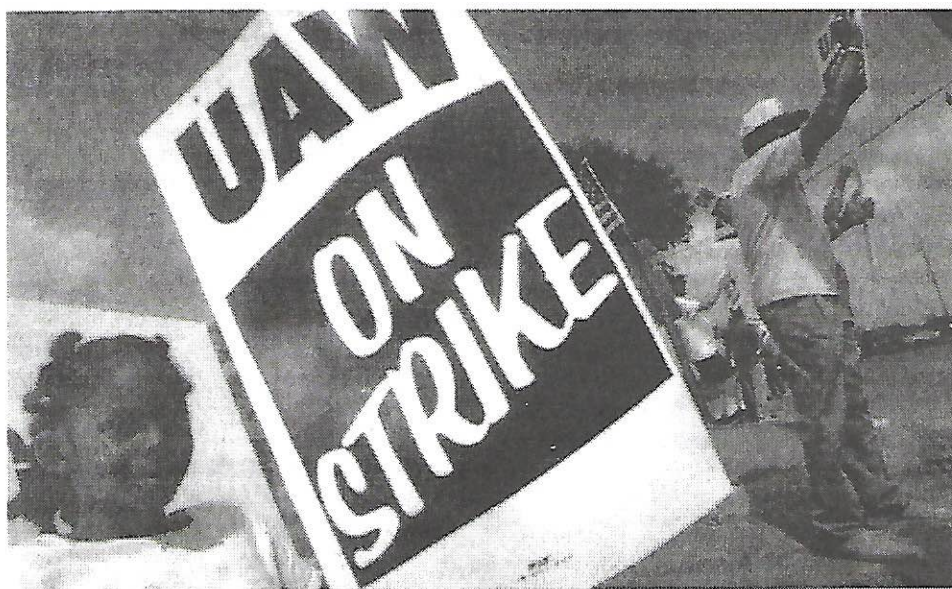
They also need an international response. "You say Japanese autoworkers will take our jobs? You say you'll move to Brazil? We'll get together with Japanese, Brazilian, and other auto workers, apportion production, and equalize wages to the highest level internationally. You'll have nowhere to run."

Elements of the Labor Party program address these questions. Nothing less will succeed. But how do we get there?

Ron Lare, a UAW, New Directions, and Labor Party member at the Ford Rouge plant, says: "The UAW is about as close to endorsing the Labor Party as New Directions is to taking power in the UAW." That defines important parts of the problem, and important parts of the solution.

We need to advance on both fronts: the unions and the Labor Party. □

June 24, 1998





# "Rainbow Slate" Takes on Hoffa

by Charles Walker

Rank-and-file power is what we are about. I think our members aren't interested in going back to the weakness and corruption of the past.

— Tom Leedham

**W**hen the Teamsters rank and file next vote for the union's highest officials in a rerun of the union's 1996 election, the ranks will have at least three choices: the Tom Leedham slate, the James Hoffa, Jr. slate, or the John Metz slate. The Teamsters votes are scheduled to be counted by October 17, after a 3-month campaign period. But disputes in the government over who will pay for the election may cause a delay in the balloting. This also raises the remote possibility that the government may withdraw from exercising its right to monitor the election, as established by the 1989 consent decree between the government and the International Brotherhood of Teamsters (IBT).

Since Leedham declared his candidacy on May 22, the major accomplishment of his campaign has been to put together a slate and sketch out a program for the union. Leedham's slate is truly a rainbow slate with substantial, not token, representation of the union's growing ethnic membership. On the slate is the recently elected Black female president of the Teamsters national local of 11,000 Northwest Airlines flight attendants, and there's the president of the Teamsters National Black Caucus. And the president of the Washington D.C. Joint Council 55, who's also a national leader of the Labor Party. Finally, there's a longtime rank-and-file activist who recently was elected a local union vice-president.

Two Spanish-speaking candidates include an international vice president elected on the Carey slate in 1991 and 1996; and a Chicana who has worked for ten years at Iowa Beef Processors in Pasco, Washington, and represents 1,200 workers as the first elected chief shop steward in the history of the local union. Also on the slate is Ken Hase-

gawa, perhaps the only Japanese-American principal officer in the union, who has been elected three times to head up a Seattle local with 6,500 members.

The slate also includes three rank-and-file members, along with the three who were elected on Carey's 1996 slate. The slate includes four women, one of whom, Canadian Diana Kilmury, received the highest vote of any candidate for vice president both in 1991 and 1996. Seven slate members ran with Carey in 1996, and nine have extensive experience as elected officers. One is president of the union's largest UPS local, with 17,000 members. Another heads the international union's Auto Transport Division. And one, David Ekstein, coordinated the field organization for the 1997 UPS strike and, until recently, headed up the Teamsters Field Services Department. He was removed from that office soon after joining the Leedham slate. (More on that below.)

### Leedham's Program

Leedham's initial programmatic statement builds on Carey's legacy. "Fight for better contracts using rank and file power and community support like we did in the UPS strike last year. Rank and file members on all national negotiating committees and grievance panels, together with our best, experienced leaders. Build Teamsters' bargaining power by helping nonunion workers organize, using rank and file volunteer organizing committees along with experienced staff. Bring officers' salaries in line with working Teamsters'. No multiple salaries from locals or joint councils for anyone hired by the International union. No increase in dues by the International union without a membership vote."

The program of the Hoffa Junior slate mainly calls for the restoration of the international union's one-time sizable treasury. There are two main ways to do that — raise dues or stop authorizing so many strikes. Carey refused to take the second option. Unlike his old-guard predecessors, he backed up his members

when they needed to fight their employers with the strike weapon. Carey called the first national freight strike in 18 years, and the first national strike ever against UPS. All in all Carey returned to the members over \$122 million in strike benefits. He would have had \$34 million more for that purpose, but the old-guard officials who preceded him took the money out of the strike fund for general expenses that included multiple salaries, pensions for top officials, jet planes, limousines, and luxury condos.

Hoffa Junior hasn't said how he will restore the treasury, but the odds are that he intends to call for a 25-50 percent dues increase, but not allow the ranks to vote on that. In recent days Hoffa has dampened his talk about the union's finances and has emphasized rebuilding the unity of the largely bureaucratic officialdom. "I will stop the civil war," Hoffa says, "that has set brothers and sisters against one another. In a Hoffa Administration, there will be no witch hunts, no name calling, no character assassination. I will bring us back together to stand as one mighty force against corporate greed that threatens our members every day."

### Hoffa Speaks for Teamsters Bureaucracy

In fact, Hoffa has no history of taking on corporate greed. The Teamsters bureaucracy that he speaks for has mostly resisted the ranks' pressures for militant actions. The bureaucracy voted down allowing majority votes on contracts, knowing that such voting power would mean more strikes. And until Carey's candidacy, the old-guard officialdom voted down any increase in strike payouts to members, and wouldn't vote to allow members to directly elect delegates to the union's convention, the organization's highest decision-making body. (Union officials have dominated the convention delegations.)

The Teamsters bureaucracy never opposed Mob influence over the union, and in fact, seemed to accommodate

itself to gangland's unsavory infiltration. The bureaucracy also went along with local unions that weren't mobbed up, but messed over the ranks just the same. The old guard at least tolerated local unions with no bylaws, no membership meetings for years on end, the looting of members' dues, and taking kickbacks from the bosses.

Hoffa's right. There has been a "civil war" inside the Teamsters union. But it started long before Carey was elected. It's been a decades-long "civil war" of the bureaucratic officialdom against the ranks. What Hoffa aims to do is build an impregnable united front of officers against the ranks, restoring the officials' dominance to what it was before Carey became the union's first rank-and-file-elected general president. Hoffa's efforts to reunify the officer corps is succeeding. Each week since Carey was barred from running again for the union's top post, more officers have declared for Hoffa. The surprise is that it's taken many of them so long to flip from Carey to Hoffa.

### **Unhealthy Developments at Teamster Headquarters**

Since Carey took a leave of absence from the union in November 1997, there have been several unhealthy developments at the union's headquarters that favor Hoffa Junior. There's some evidence that Phil Young, a pro-Hoffa vice president, now controls the union's national master freight committee. On June 10, the freight committee voted to impose the bosses' concessionary supplemental contract offer on 6,000 freight workers in Central Pennsylvania, and on other workers under a Carolina regional supplemental freight contract. The ranks had rejected both contracts. Pressure from the ranks has resulted in the freight committee backing off a little, saying on June 24, "We are currently in the process of reviewing the letters of protest and determining what course of action is within the best interests of the members..." The freight committee, at Young's urging, also permitted Preston Trucking Co., a major freight company, to break away from the national freight contract.

As we have said, David Ekstein, the head of the IBT's Field Services Department, was replaced soon after he joined Leedham's slate. Ekstein was responsible for the field organization of last year's UPS strike. Key members of his staff have also been transferred. This happened just as the Field Services Department was gearing up to organize a UPS rank-and-file fight to win the 2,000 new full-time jobs per year that UPS agreed to create under the current contract.

These changes at the international union's headquarters undermine both the freight and the UPS contracts. This weakens the ranks and shifts control back to many go-along, get-along local officers.

### **The Metz Slate**

John Metz, a longtime union official, is also running for president, with the backing of Pennsylvania Teamsters head John Morris and George Cashman, president of the influential Joint Council 10, located in Boston. It isn't clear whether Metz will field a full slate. If he doesn't, then for sure he doesn't intend to defeat Hoffa, but only to help Morris, Cashman, and others from the officer wing of the 1996 Carey slate retain their regional positions on the IBT's Executive Board.

Rumor has it that an officer from Carey's home local in New York City is also on the Metz slate. If true, that might mean that Carey backs Metz's candidacy. But Carey hasn't made a public statement of any sort since before Ken Hall withdrew his candidacy in May. There are close Carey supporters on the Leedham slate — Ed Kornegay, an international trustee, and David Ekstein, who Carey put in charge of the UPS strike organization campaign.

A joint slate between Leedham and Metz can't be ruled out, but it doesn't seem likely, and Hoffa Junior is sure to benefit from the split among the backers of the 1996 Carey slate.

### **Twists and Turns of Government Oversight**

After the federal-court-appointed election monitor, Michael Cherkasky, ruled in April that Hoffa was eligible to run for office despite filing "fraudulent"

financial reports (for which he fined Hoffa \$43,857), Carey supporters appealed the ruling to Federal Judge David N. Edelstein. On June 22, Edelstein upheld Cherkasky, allowing Hoffa to run, but increased Hoffa's fine by \$150,908. "Hoffa's actions were a deliberate attempt to mislead members as to the source of his financial support and his employment of a felon on his campaign staff," Edelstein wrote.

According to the Associated Press, the election officer has told Edelstein that "he will end federal supervision of the Teamsters election unless the court can resolve a standoff over over election's funding [sic]." Cherkasky said "he has about \$750,000 left, enough to continue basic operations for about 14 weeks," but not enough to monitor the election, which is now slated to be completed by October 14. Earlier Cherkasky estimated that he needed nearly \$9 million to conduct the election. "He asked Edelstein to have a payment agreement in place by June 30."

Previously, Edelstein had ruled that the Teamsters must pay for the rerun of the 1996 election. But Edelstein was overruled by a court of appeals, which said that the government must abide by its 1989 agreement to pay for the 1996 election. The Justice Department appealed the court's ruling, but lost. Congress now must approve the funding, but according to the Associated Press, "Congressional Republicans, led by Rep. Pete Hoekstra of Michigan, have opposed underwriting the estimated \$8.6 million rerun." The IBT has told Hoekstra's congressional committee that the union expects the government to pay the election costs, as the union did in 1991. So far, since the 1989 consent decree, the government has drained the union of more than \$60 million (to pay for the costs of government "oversight").

Hoffa Junior is on good terms with the Hoekstra committee, supplying "friendly" witnesses for committee hearings. Perhaps Hoffa will attempt to persuade Hoekstra to appropriate the \$9 million. Hoffa has an incentive to keep the election from being delayed. For increased campaign time can only help his opponents. □

*June 27, 1998*

## Listing of Leedham Slate

*The following article was posted on the Internet around July 4. Its source was not specified, but it is clearly pro-TDU.*

**T**he entire Tom Leedham rank-and-file-power slate has been nominated to take on Junior Hoffa's old-guard slate in the rerun election for top International Union officers.

On June 29, Teamster Election Officer Michael Cherkasy announced that all Tom Leedham reform candidates (who were not already nominated) had received enough mail ballot votes from delegates to the 1996 Convention to be nominated. Rerun election ballots are scheduled to go out on September 14 and to be counted beginning October 14.

Leedham is secretary-treasurer of Oregon Local 206 and director of the 400,000-member Warehouse Division. He was a rank-and-file warehouse worker before being elected head of his local and then an international vice president.

"Tom Leedham stands for the same things we do," said TDU Co-Chair and Teamsters International Vice President Diana Kilmury. "He's always been a fighter for rank-and-file power."

Leedham is committed to achieving many of TDU's longtime goals, including fighting for stronger contracts, greatly expanded organizing, more reform in our union, and grassroots political action that puts the heat on both major political parties.

"He's got the fire and commitment it takes to win," said Al Adams, a freight driver in Cleveland Local 407. "We don't want to go back to the country-club unionism that Hoffa Junior represents."

Leedham is campaigning at work sites and union halls from coast to coast, with Teamster members coordinating

his field campaign. A campaign office has been set up in Washington, D.C.

The Leedham slate is made up of current International Union Vice Presidents, as well as many new reform leaders.

The nominations give Teamster members a clear choice about the future of our union — either Junior Hoffa, with more power and perks for top officials; or Tom Leedham and rank-and-file power.

Since TDU and other rank-and-file activists are going all-out to elect the Tom Leedham reform slate and the great majority of local union officers are backing Hoffa, independent candidates and national candidates on the John Metz/Tom Sever "Waste Your Vote" slate have virtually no chance of being elected.

### Leedham Slate

The Leedham slate candidates nominated in the supplemental balloting include the following:

- General President: Tom Leedham
- General Secretary-Treasurer: John McCormick
- At Large Vice Presidents: Billie Davenport, Willie W. Smith, Sr., and Doug Webber
- Eastern Vice Presidents: Rick Dade and Eddie Kornegay
- Southern Vice President: Mike McGowan
- Western Vice Presidents: Maria Martinez and Bob Hasegawa
- International Trustees: Claude Brown, Dave Eckstein, and Kim Shanahan (Claude Brown, the chair of the Teamsters National Black Caucus,

has since been ruled ineligible by the Election Officer.)

### Hoffa Old-Guard Candidates

Additional Hoffa old guard slate candidates were also nominated. They include: At Large VP: Randy Cammack; Eastern VP: Jack Cipriani; Southern VPs: Ken Wood and J.D. Potter; and International Trustee: Jose Cadiz.

International Vice President Phil Young, who was one of the Hoffa Slate VPs elected in the Central Region in 1996 was nominated to run for General President, as a back-up candidate in the unlikely event that Hoffa is disqualified. Bob Lennox was nominated to run for Western Region Vice President, possibly as a back-up candidate for Jim Santangelo, who is facing the Independent Review Board.

New candidates nominated who may be running on the John Metz/Tom Sever "Waste Your Vote" slate include: GP: John Metz; At Large VPs: Bill Bounds, Ernie Canelli, John Green, and Sergio Lopez; Eastern VPs: Joe Padellaro and Pat DeFelice; Western VPs: Raul Lopez, Bill Diltz, and Mark Schumar; and International Trustees: Mel Kahele, Lanita Miller, and Maria Perez.

[Richard Nelson was nominated to run for Southern Region Vice President; however, he may not be eligible since he did not withdraw as a candidate for At Large Vice President.]

Three candidates were nominated to run for Teamsters Canada VP: Rob Fletcher, Wayne Maslen, and Gary Kitchen. Also nominated were Don Scott and W.C. Smith, both for Southern Vice President. Candidates have until July 13 to withdraw from the race. □

# Uncertainties Bedevil Teamsters Election

by Charles Walker

We print two articles by Charles Walker from late May which, although dated, provide valuable background information on the current situation in the Teamsters Union and some of the issues involved in the government's intervention in the union.

A lot's happened this week in Teamster politics, and a lot more is likely to happen soon. The whole election is up for grabs.

— *Teamsters for a Democratic Union*,  
May 22, 1998

Just six weeks after Ken Hall announced his bid to oppose James Hoffa for the Teamsters top office, Hall told campaign confidants that he was withdrawing from the presidential race, citing his need to have immediate surgery in order to save the sight of one eye. Diana Kilmury, a longtime Ron Carey supporter, a leader of the Teamsters for a Democratic Union (TDU), and a Teamsters vice president, told the *New York Times*, "Apparently he's got a very serious eye condition. He has been visiting the hospital daily for the last 10 days and is going to have surgery or will lose his eye. He didn't think he could run an effective campaign like that."

Ron Carey urged and supported Hall's candidacy, who as head of the union's small parcel division led with Carey the union's 1997 powerful strike against United Parcel Service (UPS).

### Leedham Announces Candidacy

As of this date, Hall has not formally announced his withdrawal. Nevertheless, Teamsters Vice President Tom Leedham, head of the union's 400,000-member warehouse division, told reporters May 22 that he would oppose Hoffa, after learning that Hall pulled out of the race.

The Associated Press reported: "Leedham said he will declare his candidacy after building a reform slate with

other Teamsters candidates. Leedham said he has not spoken to Carey and couldn't say whether Carey would back him." Leedham was one of the few local elected officers who backed Carey's election campaign in 1991.

Since November, it was clear that Leedham wanted to head an opposition slate to Hoffa. But in March, when Carey backed Hall and later when TDU endorsed Hall, a Leedham candidacy did not seem to be in the cards. After Hall became a candidate it was not clear that Leedham would join the Hall slate, but instead might sit out the rerun election ordered by the government after Carey beat Hoffa in 1996. Indeed, relations between TDU and Leedham were strained by TDU's endorsement of Hall and Leedham's seeming coolness to Hall's candidacy. Nevertheless, TDU's highest leadership body endorsed Leedham at the end of May.

### Split in Reform Coalition

The Leedham candidacy may split the electoral coalition that Carey put together during 1991-96, perhaps assuring a Hoffa win. The coalition started with just a handful of local officers and TDU, a rank-and-file caucus that has battled the union's bureaucracy since 1976.

By 1996, the Carey coalition had attracted a large number of local union officers, though never a majority of them. Few of them had an anti-bureaucratic outlook, and some of them were leaders of a second anti-Carey officers' slate, which ran a distant third in the 1991 election. Some of the officers who supported Carey, chiefly those from the East Coast, now may field a

candidate to take Hall's place, with or without Carey's approval. If they do, it seems likely that their primary purpose would be to maintain their regional seats on the union's executive board, not defeat Hoffa.

Two possible candidates come to mind. One is Vice President Richard Nelson, director of the union's freight division, and the other is Vice President George Cashman, head of the influential Joint Council 10, centered in Boston. For months Nelson, along with Hall and Leedham, was considered to be a potential candidate to oppose Hoffa. However, Nelson's failure to negotiate a stronger national freight contract in 1998 diminished his strength.

Coincidence or not, Carey made public his support for Hall shortly after the results of the freight negotiations were known.

After Carey was barred from the rerun election, and there was a possibility that Hoffa might be barred as well, Cashman tried to position himself as a "unity candidate" and draw support from both the Carey and Hoffa slates. However, the plan was undermined in April when the court-appointed election officer decided to allow Hoffa to run, despite Hoffa's violations of election fund-raising regulations. Now Cashman may seize this time to position himself for a run in the next regular election in 2001.

TDU opposed Cashman's attempt to build a so-called unity slate, rightly fearing that rank-and-file activists would be left out in the cold. Still, Cashman probably is acceptable to many in the officer wing of the Carey coalition, who never embraced rank-and-file power as the key to revitalizing the union.

### Officer Wing of Carey Coalition

In fact, some officers of that stripe have already gone over to Hoffa. Just a few days before the news leaked out that Hall would not run, Hoffa announced that he had gained the support of more

than a dozen local union heads who supported Carey in 1996.

Undoubtedly, other officers will go over to Hoffa, especially if the anti-Hoffa forces field rival presidential candidates. The recent desertions were foreshadowed at the Teamsters 1996 convention, where Carey thought he had a majority of the delegates pledged to him. But by the convention's first vote, it was clear that many of those delegates who were also local union officers had gone over to Hoffa.

In fact, the deep chasm between the union's ranks and the bulk of the officialdom was clearly demonstrated in 1996 when a majority of the delegates backed Hoffa, who was later repudiated by a majority of the membership. That also happened in 1991, when 85 percent of the union's delegates backed old-guard candidates, but still the membership handed Carey a stunning upset victory.

A handful of one-time Carey loyalists have also switched sides. For example, Teamsters Vice President Aaron Belk recently wrote all convention delegates that he was "asking each of you to contact those you represent and encourage them to support Hoffa for General President."

### **Hoffa Dumps a "Friend"**

Not all of Hoffa's new adherents may enjoy the anticipated fruits of power of a Hoffa victory. That's a lesson to be drawn from what happened to Hoffa's running mate, one-time Teamsters Vice President Sam Theodus. In 1994, Theodus deserted Carey when a Teamsters executive board majority voted to disband the union's regional bodies — called conferences — which were largely a reservoir of multiple salaries, pensions, and other costly perks. Theodus joined Hoffa's 1996 slate, claiming that Hoffa was the true reformer, not Carey.

Theodus reminded Hoffa in a recent letter that he was the "centerpiece in your [Hoffa's] Teamsters magazine ads." In the same letter Theodus raged at Hoffa for dumping him from the Hoffa slate, despite his commitment to Hoffa's election: "However on May 12 out of the blue all of my hopes and expectations were shot down when you told me that you were removing me from your slate in order to put someone in my spot who had vigorously campaigned against you in

'96. You, in effect, were going to reward your enemy while you screwed a friend."

### **Lack of Leadership**

In November 1997, Carey took a leave of absence as general president to prepare his legal challenge to the government's actions against him. Since then the Carey-led coalition has failed to demonstrate the kind of leadership that won the UPS strike and curbed the bureaucracy's power over the ranks. TDU failed to fight the government's barring of the Teamsters' right to elect any Teamster to any office. Carey, too, failed to dispute the government's authority to bar candidates.

In fact, Carey publicly forecast that the government would bar Hoffa for his election finance violations and raised no objections. No less importantly, the coalition failed to go to the members at work sites and terminals and make its case that Carey was wrongfully barred, confining itself to hearing rooms and courts.

Carey has not met with a large number of rank-and-file Teamsters since November 1997. Then he said that it was likely that someone else would lead the slate. But not until April did Hall say that he would lead the slate against Hoffa. The brightest moment since November was when TDU unanimously endorsed Hall, correctly refusing to divide the opposition to Hoffa.

### **Unclear Where Carey Stands**

Hall's withdrawal and Leedham's candidacy only add to the uncertainties that have faced the union's members and the rival factions since the government's seemingly unorchestrated intervention into the Teamsters by the Justice Department, several courts, and congressional committees. It's not clear that Carey will endorse Leedham, and even if he does, that alone might not prevent other officers from putting up a slate, ostensibly to beat Hoffa.

Even if Carey does back Leedham, Carey may continue to focus on his legal difficulties and not campaign. Even with Carey's endorsement, Leedham may not be able to get the balance of Hall's slate to join him. In fact, Leedham may plan on replacing at least several of the Carey slate members. That's indicated by an Associated Press report

that on May 28, "Leedham tapped Wayne Fernicola, a union leader from New Jersey, as the No. 2 person on his slate. Fernicola, a former UPS driver, heads a 9,000-member local, many of whom work for UPS, the Teamsters' largest employer." Fernicola would be replacing Tom Sever, the Teamsters secretary-treasurer and acting president.

Leedham does not have Hall's recognition among UPS workers and has not led any national campaigns, though he claims credit for leading a major Northwest grocery strike and fashioning a breakthrough Kroger grocery master contract. Clearly, Leedham's campaign starts out weaker than Hall's did.

But that doesn't mean Leedham would be a weak candidate. Leedham, 47, is an energetic man, a forceful speaker, and an experienced negotiator. Carey appointed him to his present post as Warehouse Director and added him to his 1996 slate. Still, Carey preferred Hall over Leedham, and Leedham seemed to take that badly. Leedham's seeming reluctance to back Hall could provide an excuse for others not to back Leedham, especially those looking for an excuse not to oppose Hoffa.

### **Other Uncertainties**

Even if the Leedham candidacy did not raise new political uncertainties, the Teamsters would still be faced with the fact that no date has been set for the election. The election officer has proposed dates, but the chief overseer, U.S. District Judge David Edelstein, has not approved the dates.

While Edelstein could settle the matter of election dates with a stroke of his pen, the election officer would still lack the estimated \$9 million to finance the government's supervision of the election. Edelstein ruled that the Teamsters had to pay for that supervision, but Edelstein was overruled by an appeals court panel. After the Teamsters told a congressional committee that the government was obligated by the consent decree to foot the bill, the committee's head indicated that the government might lend the money to the union. Of course, the union would be foolish to cut such a deal. At present, the matter is deadlocked. Without the money, no election could be held, even if all the other uncertainties were resolved. □

*May 29, 1998*

# Feds Slap Hoffa's Wrist

by Charles Walker

Teamsters members deserve much better than a candidate who was found eligible by the skin of his teeth.

— Ken Hall, Director, International Brotherhood of Teamsters Parcel & Small Package Division

On April 27, Michael Cherkasky, a court-appointed Teamsters election officer, reported that he found that James Hoffa campaign groups had filed some "fraudulent" reports with the election office, other times failed to report money contributions, used "local union halls as a shipping address for campaign materials," and illegally used union facilities for phone-banking. He then ruled that the Hoffa slate's violations of election regulations merited fines totaling \$43,857, but did not merit barring Hoffa from the rerun of the union's 1996 election.

Ron Carey beat Hoffa in the Teamsters' regular 1996 election, but Hoffa appealed and Carey was subsequently barred from running. Carey is asking a federal circuit court to overturn his disqualification.

## New Charges Filed Against Hoffa Slate

On May 17, Teamsters Vice President Ken Mee filed charges against the Hoffa slate with the Independent Review Board (IRB), a body authorized by the government-imposed Consent Decree. The IRB has the power to discipline Teamsters for violations of the union's constitution, up to and including expulsion from the union. Carey is awaiting the decision of an earlier IRB hearing on charges that he violated the union's constitution. Mee asserts that the Hoffa election violations found by the election officer are "grounds for expulsion...and criminal prosecution, period."

Mee contends: "The Election Officer's report and conclusions were not challenged by Hoffa, hence they must stand as admitted." Further, the report "reveals a web of employers clustered around Hoffa, apparently just waiting for a chance to get their hands on the Union through their unlawful contribu-

tions, and undue influence during his campaign."

Teamsters for a Democratic Union (TDU) also attacked the election officer's findings as creating a double standard for Hoffa and reflecting "political pressure...from the most anti-labor wing of the Republican Party...on what should be impartial decisions."

Cherkasky said that Hoffa reported his total campaign income to be \$3,632,980, adding that his "investigation did not find evidence that the Hoffa Slate Campaigns had received anything but minimal contributions from prohibited sources." He said that Hoffa spent \$1.6 million on hats, pins, shirts, and fund-raising events. Therefore he concluded that it was plausible that the Hoffa Campaign could have raised over \$2,000,000 in small donations (under \$100) through the sale of campaign paraphernalia and dinners.

## Leebove Ousted

Cherkasky found one notable exception to his finding that the bulk of the Hoffa campaign's donations were from lawful sources. He found that Hoffa had accepted at least \$176,650 in free services from Richard Leebove, one-time collaborator with the outspoken fascist Lyndon Larouche. Leebove has long had ties with high-ranking Michigan Teamsters, sometimes as a paid publicist. For 1994-96, Leebove reported an income of \$850,000, mainly from Michigan local unions. It is an election violation to accept money or in-kind services from an employer, and, as Cherkasky found, "It cannot be disputed that Mr. Leebove is an employer." Cherkasky reported that "Mr. Leebove's testimony about his own work was evasive, incredible, and false."

One Hoffa operative testified that Leebove was the "brains of the [Hoffa] operation," while another told Cherkasky that Leebove acted as the campaign's "poison pen." The Hoffa campaign was fined \$16,767 for accept-

ing Leebove's unpaid services, and Leebove is prohibited from working for or against any candidate or performing election-related work for the duration of the rerun of the 1996 election.

## Government Inconsistency on Barring Candidates

Since another election officer had barred Ron Carey from seeking reelection because of election rule violations by his campaign, Cherkasky was on the spot. How could he justify not barring Hoffa? Cherkasky argued that Hoffa's violations were not great enough to influence the pending rerun election.

But his stronger argument was that barring candidates is "an 'antidemocratic remedy' to be used as a last resort...Even a situation that justifies disqualification of a candidate for misconduct may vindicate anti-corruption objectives 'to the evident impoverishment of the democratic process."

In other words, Cherkasky mainly justifies not barring Hoffa on the grounds of protecting workers' right to a "democratic process." But, surely, barring Carey violated that right. Cherkasky argues that barring Carey was a 'paradoxical' situation in which the electorate's voting options are limited in order to promote democratic governance of the IBT."

In short, workers' right to democracy is to be upheld, as long as workers don't break step with the government's overseers.

## Government Trying to Appear "Even-Handed"

In a footnote in his report, Cherkasky stated he had barred Hoffa slate member Mary Lou Salmeron from the rerun election. Cherkasky found Salmeron guilty of "personal misconduct in coercing her supervisees [office workers] at Local 986 to contribute money to her campaign for International Trustee." The footnote lacks any of Cherkasky's philosophizing about paradoxes, the electorate's voting options, and democratic governance. While coercing employees for any reason is a sleazy offense, Carey partisans rightly see the barring of Salmeron as a transparent attempt by the federal authority to appear even-handed, while setting the stage for a Hoffa victory. □

May 30, 1998

# Bosses, Politicians Want to Protect Your Paycheck

by Bill Onasch

*The following article appeared in the May issue of the Kansas City Area Labor Party Advocate. The author is president of the Kansas City Area Labor Party chapter and vice president of his transportation union local.*

**B**rothers and Sisters — *good news!* America's employers, and some of the best politicians that money can buy, are fighting to help us protect our paychecks from ruthless union bosses. Perhaps we can use the money thus saved for investment — like buying the Brooklyn Bridge.

Capitalizing on the scandal around the Teamsters election, "Worker Paycheck Protection Acts" were introduced in Congress and a number of state legislatures. While bottled up so far on Capitol Hill, and killed in some states, including Missouri, the bills passed in Michigan, Idaho, and Washington. In June Paycheck Protection will appear as a ballot proposition in California. Petition drives are under way for ballot propositions in Colorado, Oregon, and Nevada as well.

How would your paycheck be protected? If you're a union member, your union couldn't spend any of your dues money on *anything* — other than negotiating and enforcing your contract — without your *prior written authorization* to do so.

Unions are already under severe restrictions. Federal law prohibits the use of dues money to support candidates in federal elections. What unions can do in state and local elections varies from state to state. Unions establish PACs and COPEs, funded through voluntary contributions from members, for most campaign spending now.

Workers benefiting from union contracts in so-called "right-to-work" states (including Kansas) of course have long had the option of not joining the union and paying *no* union dues.

Since a Supreme Court ruling known as *Beck*, workers covered by union security agreements have been able to demand dues refunds for any union

activities not directly related to bargaining and contract administration. However, most unions require these "fee objectors" to resign from the union. The antiunion forces don't like that. As long as they have to deal with unions they want their stooges to be able to influence internal union votes. They want to have their cake and eat it too.

## What Would Paycheck Protection Cover?

Without prior written consent, unions could not:

- Run "issue ads."
- Lobbying would be out.
- Community outreach activities would be mostly excluded.
- Even voter registration.

*It is even questionable whether union leaders could pass on information on urgent issues to their own union members.*

Like George Orwell's Big Brother, the bosses try to make their Paycheck Protection scam sound democratic. Shouldn't the individual have a right to

decide how his or her money is spent? But the essence of democracy is *majority rule*. All union members who wish to do so are entitled to participate in a discussion and a vote to decide how their collective treasury shall be spent. After this democratic process, doesn't the majority have the right to expect all members to abide by the outcome of this process?

Though they don't emphasize it right now, most advocates of Paycheck Protection think the individual has a democratic right to scab during a strike called by a majority of fellow workers. They support the "right to work" — the so-called democratic right not to join a union voted in by a majority of fellow workers. Freedom for scabs and free-riders, denial for the majority of organized workers — that's their philosophy of democracy.

Some workers find Paycheck Protection appealing at first glance because they have contempt for the mainstream politicians and think the unions shouldn't waste money on them. That's a sentiment we can identify with. But Paycheck Protection would do more than cut off undeserving phony friends of labor. It would preclude support to *any political alternative to the bosses' politicians* — including the Labor Party. It would also prevent us from holding those in office accountable, or trying to influence them, or even *informing them on issues*.

*Continued on page 60*

## Victory in California

Since the accompanying article was written, labor won a stunning, come-from-behind victory in California. In March, opinion polls were showing 72 percent in favor of Proposition 226. A majority of union members polled were for the Paycheck Protection scam. But when the votes were counted June 2, the measure went down to defeat by a 53-47 margin.

The key to this turnaround was a mobilization of the rank and file on a scale not seen before in California elections. 25,000 volunteers worked phone banks (650,000 calls); canvassed door to door (5,000 precincts); and distributed literature at 18,000 worksites. They helped

educate working people about the true issues involved and what was at stake. As a result, they got organized workers out to vote in massive numbers, and exit polls showed union members rejecting Proposition 226 by a 71 percent margin.

This demonstrates once again the potential power our unions have when the leaders try to educate and mobilize the ranks. The California AFL-CIO, and independent unions such as the California Nurses Association, deserve congratulations for this effort. We hope this victory will inspire them to try these methods with other issues besides protecting their dues.

— Bill Onasch

# Building Trades Workers Shut Down Manhattan

by George Saunders

When New York's Metropolitan Transit Authority (MTA) awarded a construction job to Roy Kay, a notoriously anti-union company, building trades unions began picketing the construction site at Ninth Avenue and 54th Street. After five weeks of not being noticed and getting no response the unions called a mass rally in front of the MTA's headquarters near Grand Central Station in the center of downtown Manhattan for 7 a.m. on June 30.

A much larger number of protesting construction workers turned out than was expected, either by union officials or by police. In an unusual twist, the police estimated there were 40,000, while union officials claimed only 30,000 or less.

## Police Estimates Unusually High

Usually the police give absurdly low estimates of protest demonstrations. But in this case they apparently had an interest in giving a high estimate, because rank-and-filers, bored with empty speeches, began marching across downtown Manhattan, tying up rush-hour traffic for 3–4 hours. They marched to the Roy Kay construction site, breaking through police lines. Police say they weren't prepared for this.

The police claimed they hadn't been notified that the protesters would be so numerous, so they didn't have enough cops to "maintain order." They claimed they were outnumbered, but many observers said that actually the cops were outfought, more than outnumbered. The cops reported arresting 38 workers and claimed 18 police had been injured.

Construction sites all over the city were shut down as workers left their jobs to attend the mass rally. One union official was quoted by the *Daily News* as saying, "We'll shut down this city, avenue by avenue."

## Roy Kay — A Rat Company

City officials the next day denounced the unions and threatened to sue them for damages. But there were also some moves to investigate Roy Kay Inc., which has a bad health-and-safety record and is charged with other violations.

One union officer explained why the building trades decided to fight the Roy Kay contract. "Roy Kay has told the building and construction trades that he's planning to become the biggest nonunion contractor on the Eastern Seaboard... that's a threat to us and our jobs."

Union leaders said the \$32.6 billion Roy Kay contract represents a growing government trend toward hiring nonunion companies. These companies come in as "low bidders" because they pay their workers less and cut corners on health and safety.

"We don't want anyone to think this is an isolated project," said Building and Construction Trades Council spokesman Paul Fernandes. "There are a whole host of contractors like Roy Kay."

## Media Denounce Workers

The *New York Times* pompously editorialized that this kind of disorder could not be tolerated. The editors admitted that union workers have recently been getting more militant. "Locally and nationally, unions are becoming more aggressive in asserting their interests. That is all to the good in a democratic society," they added hypocritically. But unions should act only "through the normal political process," said the editors. The charges against Roy Kay should not be decided "on the streets by lawless demonstrators eager to bully city and state agencies into using only union contractors."

Unions should be punished when they step out of line this way, the editors said. "If the unions repeat their roughhouse tactics, arrests and heavy fines will be warranted."

Of course this corporate mouthpiece had no action to recommend against the scab company involved — except to wait around while "responsible officials" (probably tied to the corporations) "thoroughly investigate." And meanwhile the nonunion job goes ahead.

The reason more and more workers are fighting back is that their living standards are constantly being eroded and for twenty years or more there has been a corporate offensive under way to get rid of unions or take back gains that unions have won in the past. And the

"normal political process" not only permits this but is rigged to favor the big money.

The New York construction workers deserve the thanks and solidarity of all workers. They were out in the forefront, fighting for the needs of all — the right to have a union to protect living standards and health and safety on the job.

## How the Protest Was Organized

A report in the *New York Daily News* the day after the demonstration revealed a lot — how this mass outpouring of the ranks was organized and how rank-and-filers and more militant union officers feel about the situation.

The *Daily News* said that twenty "building trades organizers of the Roy Kay Task Force convened at the Route 66 Cafe just above W. 55th St. at 9 a.m." a week before the demonstration. "Roy Kay," explained the *News*, "is the New Jersey contractor who is using nonunion labor to put up the new Transit Authority building a block and a half down Ninth Ave."

The *News* gave this background on the protest:

"The task force had been picketing the site for a month and had held a demonstration there on June 11 that had drawn 5,000 construction workers from the West Side of Manhattan. The rally had featured a 15-foot inflatable rat as a symbol of a nonunion contractor.

"Even with the rat, the demonstration had received little public attention. The organizers now decided that the next rally would draw workers from all five boroughs. Grammar school math was all that was needed to project how this gathering would compare with the one recruited just from the West Side.

"'Much bigger,' a task force member says."

## Workers from All Five Boroughs — With Livelihoods at Stake

The *News* then described how the ranks were mobilized:

"Building trades organizers started putting out the word with leaflets and, most importantly, phone calls.



## Comments on the New York Construction Workers Protest

The following are excerpts from a July 11 posting on the "labr.party" discussion conference of the Institute for Global Communications computer network. Andy Pollack is a member of the New York Metro Chapter of the Labor Party.

Bob Fitch had a good piece in this week's *Village Voice* on the differences between the officials' and the ranks' approach to this rally. The most important thing was the way the ranks took over the day. The officials had planned a boring rally with lots of speeches at MTA offices in central Manhattan. The ranks spontaneously decided to march across town to the construction site itself — and organized the march as they went. Then when they got there they engaged in fights with the police — and won most of them. (Cop injuries far outnumbered those of strikers.)

This rank-and-file action is doubly significant as it comes on the heels of Giuli-

ani's attempts to repress other protests (taxi drivers, vendors, etc.).

Since then a judge has issued an injunction forcing officials to give 72 hours notice if they intend to have rallies bigger than 100 people! (And has imposed fines for "property damage.") Building trades officials have been disgustingly craven about apologizing for the "violence" of the strike and protest.

Fitch points out that officials don't oppose nonunion firms bidding on or getting contracts; they just want an even playing field. Since the strike the firm has come under investigation for safety and other violations.

The *New York Times* after the strike did a puff-piece on Laborers Local 79's leader Mike Hellstrom. Local 79 is organizing a work force that is now mostly Polish and Latino immigrants, and has used innovative tactics to do so. It also seems it was Local 79 that pushed for the strike out of frustration with the lack of response to the weekly protests that had come before. But from what I hear Local 79, while more active and progressive, is not all that the media (including progressive media) claim it is.

— Andy Pollack

"'One guy calls five guys who each call five guys who each call five guys,' says Anthony Mancusi, organizer with the Construction & General Building Laborers' Local 79. 'It's like a chain reaction when there's livelihoods at stake.'" [Emphasis added]

"The word spread so quickly that guys were soon calling guys who had already been called.

"'It just blossomed,' Mancusi says."

The organizers alerted police to expect 30-40,000 protesters, according to Mancusi. "We did warn them," Mancusi said. "For some reason, they didn't want to believe us."

The *News* reported that organizers distributed a "Rally Reminder" to union members: "All members of our affiliated unions should know this will be a PEACEFUL demonstration," the leaflet read. "Let's cooperate with the NYPD [New York Police Department] and make this demonstration a success."

### "Like a Vietnam Protest"

"Mancusi joined in making a sound tape for the rally," reported the *Daily News*. "The songs included Marvin Gaye's 'What's Going On?' and the Young Rascals' 'People Got to Be Free.'"

"I felt like I was preparing for a Vietnam protest," Mancusi was quoted by the *News*.

On the morning of the rally it began to rain, but Mancusi said as he got to the rally site he saw "fellow construction workers in doorways and under awnings."

"Guys were huddling everywhere," Mancusi said.

"When the rain stopped, it was amazing," he added. "People were just coming from everywhere."

The *Daily News* account goes on:

"The tape started up. Thousands began to dance and clap, as free as the Rascals' song said people just got to be.

"It was quite a scene," Mancusi said. "To really see the solidarity."

The inflatable rat was welcomed with cheers.

"People love the rat," said Mancusi.

### Spirit of Solidarity

The following passage from the *Daily News* account conveys the powerful feelings of workers solidarity in demonstrating for their rights in a city they built.

"The demonstrators...started for the construction site. Mancusi was with a contingent of about 1,000 that went across 44th St. and then turned up Sixth Ave. His group embraced the other contingents they encountered as they marched in the shadows of the spires that had been erected with the sweat and muscle and skill and nerve of the city's building trades.

"Everybody [was] calling each other brother and sister," Mancusi said. "Plasterers, laborers, electricians, carpenters. The roofers were even out."

"The police seemed not at all prepared when the demonstrators arrived at the building site where 5,000 workers

had gathered three weeks before. A few pushes came to shove.

"It got a little rough, but it quieted down," Mancusi says.

"The demonstrators then headed off to work having amazed the city they had built spire by spire with no greater demand than decent wages and no protection other than their unions."

### Vietnam Protests and "Hard Hats" of the '60s

The reference to anti-Vietnam war demonstrations is particularly significant. About 30 years ago, pro-war union officials in the New York building trades managed to bring out hundreds of "hard hats" who rallied against and sometimes beat up anti-war demonstrators.

The big business media at that time hailed the rough and tough construction workers for supposedly showing that workers supported the war and that only college students and "effete snobs" opposed it.

That wasn't true. Although many — not all — union officials supported the war, in the end millions of working class people opposed it, and it was that majority opinion that became an unbearable pressure on the rulers, forcing them finally to withdraw and let the Vietnamese decide their own destinies.

The mainstream media aren't cheering these "hard hats" today. But we do. Like the striking workers in Flint, and like the UPS strikers last summer,

*Continued on page 27*

# Mainstream NY Unions Weigh Separate Ballot Line for November

Reprint of *Village Voice* News Story

Reflecting the pressure of the Labor Party's ideas and example, and in the face of ongoing anti-union politics from the Democrats as well as the Republican, some union officials in New York state have been considering a separate "labor-based ballot line" and a separate endorsement of some candidate for governor in the November elections.

This could supposedly "lead to a full-fledged labor party in New York State."

But what is involved is the tired old idea — long practiced by the so-called American Labor Party in New York from the 1930s into the 1960s — of endorsing a candidate of one of the bosses' parties. The idea is not to have labor's own candidate, controlled by and responsible to labor, speaking independently for the needs of working people.

Information about this development was revealed in an article in the April 14 *Village Voice* (published in New York City). For our readers' information we are reprinting the article, which was headlined "Look for the Union Label" and was written by Doug Ireland with research assistance by Irina Fernandes.

Following this article we reprint a letter to the *Village Voice* from the officers of the New York state Labor Party which welcomed this discussion of "the need for alternative labor politics," but criticized the notion of becoming just a "pressure group" on the Democrats.

Of significance is the motivation behind the union officials' consideration of a "labor-based ballot line." They admit that the "political perspective of labor and working people has no voice" at present. They ask, "Why don't we have...clout for our politics? Why not create a political vehicle that puts our kind of populist economic politics forcefully into the political debate?"

That is precisely why the leaders of the Labor Party campaigned for it for years — to create a vehicle to bring working people's economic politics into the political debate.

One New York union official is quoted as admitting that "real wages are stagnant, folks are working two and three jobs trying

to make ends meet, and are scared to death that their health insurance and their pensions are going down the tubes. Somebody has to extol a progressive movement to those of us who work for a living. If it's not us, who's it going to be?"

This echoes the Labor Party slogan, "Who will speak for labor? Labor will speak for itself!"

The union officials involved in this ballot-line move are from such major unions as the CWA, UAW, UFCW, IAM, and some locals of AFSCME, SEIU, and the Teamsters.

It is also interesting that Tom Fricano, director of United Auto Workers Region 9, is mentioned as a possible candidate of this group. Fricano ran as a Democrat against a Gingrichite Republican in 1996. The Buffalo chapter of the Labor Party, in violation of the founding convention's decision not to endorse or run candidates at that time, voted to endorse Fricano. The Buffalo chapter's charter was lifted by the national Labor Party leadership until the chapter's vote backing one of the bosses' parties was reversed. — Eds.

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**T**ired of being taken for granted by the rightward-drifting Democratic Party, a coalition of progressive union leaders is putting together a labor-based ballot line for the November election — a move that could lead to a full-fledged labor party in New York State. These new-breed unionists — representing a combined membership of nearly half a million workers — have been quietly meeting for the past two months and plan to have their as yet unnamed entity endorse a candidate for governor.

If their candidate garners just 50,000 votes, the new line will gain permanent ballot status, an achievement that could significantly alter the political landscape: the Liberal Party (nowadays a Potemkin Village of patronage-seekers) would lose its role as the balance of power and perhaps its ballot line alto-

gether, and the Democrats would feel the influence of a potent pressure group from the left.

Spearheading the effort is the New York region of the politically potent Communications Workers of America, whose legislative and political director, Bob Master, is acting as point man. "Enough serious players are thinking about doing this that it'll happen," says Master. "The political perspective of labor and working people has no voice in state politics. There's a feeling that the Liberal Party has become a plaything for Ray Harding and gets sold to the highest bidder. People look at Harding, see a guy with no organization and no troops yet with tremendous political clout, and ask, Why aren't we doing this? Why don't we have this kind of clout for our politics? Why not create a political vehicle that puts our kind of populist economic politics forcefully into the political debate?"

Mark Perrone, regional director of the Food and Commercial Workers — another union involved in planning meetings for the ballot line, with 150,000 members statewide — sees the need for what he calls "parallel party to push progressive ideas." Perrone says that "there's not much of a dividing line between the two major parties anymore — the Democrats have drifted a little right-of-center because of Clinton. Yet real wages are stagnant, folks are working two and three jobs trying to make ends meet, and are scared to death that their health insurance and their pensions are going down the tubes. Somebody has to extol a progressive movement to those of us who work for a living. If it's not us, who's it going to be?"

Other unions involved in planning the new entity are Regions 9 and 9-A of the United Auto Workers, with a combined membership of 140,000 statewide; Region 2 of the Civil Service Employees Association, with 20,000 members;

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## A Competing Labor Party in New York?

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# Response by the New York Labor Party

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April 20, 1998  
To The Editor,  
The Village Voice

**W**e're among thousands of labor and community activists who have been building an independent national Labor Party rooted in the union movement over the past decade. We read Doug Ireland's report of a new group bidding for a labor-oriented state ballot line with interest. We were pleased to see that unions usually reluctant to break with the Democrats, such as the UAW, are now discussing the need for alternative labor politics.

Since New Yorkers may confuse this ballot line proposal with our ongoing effort to build a national Labor party, we'd like to make clear why our Labor Party is different.

Our Labor Party was founded in June 1996. More than 1,400 union and chapter delegates representing unions with over one million members met in Cleveland and democratically adopted a constitution and program. Our party now counts nine international unions and more than 400 local labor organizations as affiliates or endorsers. There are more

than 40 community-based chapters. Last November, we founded the New York Labor Party, our state organization.

Our second national convention this November will debate a plan for independent Labor Party candidacies. Our goal? To insure that The Labor Party will be a true alternative for workers nationwide and that we'll be around well after our first electoral contests.

Our model is a movement-oriented membership Party, independent of both the Democrats and Republicans. Becoming "a potent pressure group from the left" on the Democrats — as Ireland describes the new ballot initiative — is not our mission.

Ireland prompts a few questions. Will this petition drive, with a candidate likely to come from the Democratic Party, provide working New Yorkers with a mechanism that engages them in the political process in a new way? Will it build a movement that draws its candidates from within and insures they adhere to a party platform?

Working people have good reason to be cynical about politics and are unlikely to become activated by a quick fix. Nevertheless, should the prospect

Ireland describes for a ballot initiative become a step toward real independent labor politics, it would be welcomed.

In the meantime, we will continue our long-term efforts to build The Labor Party.

In Solidarity,

**Arthur Cheliotis**, Chair, New York Labor Party; President, CWA Local 1180, a Labor Party-affiliated union;

**Brenda Stokely**, Vice-Chair, New York Labor Party; President, Local 215, AFSCME DC 1707, a Labor Party-affiliated union;

**Sheila Gorsky**, Treasurer, New York Labor Party; Executive Director, Organization of Staff Analysts, a Labor Party-affiliated union;

**Larry Adams**, Co-Chair, Labor Party New York Metro Chapter; President, National Postal Mailhandlers Union Local 300, a Labor Party-affiliated union;

**Robert Spencer**, Treasurer, Labor Party New York Metro Chapter; Director of Media Services, Organization of Staff Analysts, a Labor Party-affiliated union. □

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the International Association of Machinists' District 15, with 40,000 members; the Buffalo Teachers Federation; the Syracuse Central Labor Council; the Amalgamated Transit Union Local 726, which represents bus drivers and mechanics; Local 1707 of the American Federation of State, County, and Municipal Employees; and locals of the Teamsters and the Service Employees International Union.

Getting the new line on the ballot requires the collection of a minimum of 15,000 signatures, with 100 each in half of the state's congressional districts. But Jim Duncan, the Buffalo-based political director of UAW Region 9, says, "We want to get 100,000 signatures and a minimum of 100 from every congressional district in the state." This would

serve both as an organizing tool and to resist an expected well-financed legal challenge to the petitions' validity from Harding and his Liberal Party lawyers. The new labor ballot line is a real threat to the Liberals since it could conceivably cost them their ballot position — and Harding his only bargaining chip — by draining away votes from their dwindling base.

The petition drive, which can only be carried out from July to mid-August, will include more than just the unions that are already on board. The labor-funded Union Summer program, which in the past couple of years has mobilized thousands of college students to assist union-organizing drives, will recruit petition-carriers on campuses all over the state. And there's a significant non-

union base of support from progressive organizations like Citizen Action, ACORN, and the fledgling New York chapters of the New Party. Also adding credibility to the effort is Sal Albanese, who has played a key role in the ballot line's creation (Albanese's populist campaign for mayor last year was supported by many of these same unions). Other Democratic officials have sent representatives to planning meetings — including Congresswoman Nydia Velazquez and assemblymen Roger Green and Jim Brennan — suggesting that some politicians have detected the potential that a successful ballot line could unleash. (Brennan and Green are organizing an Albany meeting later this month for legislators interested in seeking its endorsement.)

*Continued on page 52*

# Pres. Andy Stern Urges All SEIU Locals to Attend LP Convention

The Labor Party's publication *Party Builder* (July 1998) reported that the Service Employees International Union (SEIU), one of the country's largest, with more than a million members, "sent each of its locals a call [to the LP's First Constitutional Convention, to be held in Pittsburgh, November 13-15] and a letter from President [Andrew] Stern encouraging participation." (Emphasis added.)

In 1996, SEIU convention delegates cheered Bob Wages's presentation of the argument for a labor party, and SEIU sent an observer delegation to the LP's founding convention in Cleveland in June of that year. Many SEIU locals have endorsed or affiliated with the Labor Party. But President Stern's letter to all SEIU locals, accompanying the call for this year's LP convention, is a significant forward step.

The LP's *Party Builder* also reported that the affiliated unions, the backbone of the Labor Party, "have issued the convention call" and are "urging their members to participate." In addition, the *Builder* reports, "the call has gone to more than 13,000 local unions across the country."

### Discussion of LP Keeps Cropping Up

In May, AFL-CIO President John Sweeney was asked "about labor's political action and a Labor Party," at a public meeting in Chicago. He replied that "the AFL-CIO was promoting the '2,000 in 2000' campaign to have at least 2,000 union members run for political office in the year 2000. He added that a *Labor Party would have to be built together with labor's allies.*" (Emphasis added.)

"But we must be realistic," he went on. "Until we can knock Mr. Gingrich out and elect more progressives to Congress, we would not have the resources that building a Labor Party would require." (This was reported in the May 9 *People's Weekly World*.)

Actually, labor *does* have the resources to win majority political support and can mobilize the necessary numbers. This was shown most recently by the AFL-CIO's successful campaign in California to defeat Proposition 226 (see Bill Onasch's article on this question elsewhere in this issue). The AFL-CIO effort involved thousands of union activists, "together with labor's allies."

The key to mobilizing this kind of labor political action is to have an issue that working class people clearly recognize as in their interest and worth mobilizing for.

### Referendums on Working Class Issues

A similar victorious mobilization of the entire labor movement and its allies happened in Ohio last fall. Spurred by an all-out campaign by Ohio unions and their allies, an overwhelming majority of Ohio voters cast their ballots in a referendum to reject a new law passed by the Ohio state legislature that would have taken away injured workers' rights to compensation. (See Jean Tussey's article "How Ohio Labor Won the 1997 Election" in *BIDOM*, No. 141, March-April 1998.)

In past years labor has won in referendums in Missouri, in California, and in Ohio (in 1958) to prevent the imposition of so-called "right to work" laws. With all-out campaigns like these by a unified labor movement, together with its allies, the unions have repeatedly shown that they do have the resources, and that they can win support from the majority of working class people when the issues are clear-cut and in defense of the interests of that working class majority.

### "Does Labor Need Its Own Party?"

It's a sign of the times that the United Transportation Union (UTU), the largest union of rail workers, in the May 1998 issue of its monthly paper printed a question-and-answer exchange. The

question was: "Does labor need its own political party?" The answer, given by UTU legislative directors from four different states, was unanimously "No." But the fact is, instead of just ignoring the issue, this union's leadership feels the subject has to be discussed. This reflects the power of the labor party idea, an idea whose time has come.

The need for their own party is especially obvious in the case of rail workers, who are constantly under government restriction because of the Railway Labor Act. Their contracts are constantly being dictated by the politicians in Congress. In this situation, the idea that labor should have its own, separate political party has strong logic. This is why one of the several rail workers' unions, the Brotherhood of Maintenance of Way Employees, is among the nine major unions affiliated to the Labor Party.

### Union Leaders in a Bind

In New York state some mainstream unions are talking about a separate "labor-based" ballot line, according to a report in the *Village Voice*. (See the group of articles on this question elsewhere in this issue.) Union officials feel forced to admit that in the present two-party system, with both Democrats and Republicans dominated by corporate money and the corporate agenda, the "political perspective of labor and working people has no voice." Union officials are aware of the dissatisfaction with the Democratic Party among their own members — who often don't bother to vote because there usually are no issues or candidates clearly representing working class interests. So these officials are talking more about choosing among candidates, instead of just voting for Democrats.

Along these lines the March-April issue of the United Auto Workers magazine *Solidarity* reported on a conference of 1,700 UAW "political activists" in Washington, D.C. A major theme and slogan of the conference was: "We support those who support us — a warning to politicians who think they can take UAW support for granted."

UAW President Steve Yokich was quoted as saying: "We purposely had a Republican, an independent, and Democrats speak to us at this conference."

*Continued on page 52*

# Black Activists Rally for Freedom for All

by Lola Smallwood

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*The following news story, which first appeared in the Chicago Tribune, dated June 21, 1998, was posted on the Internet. We reprint it for our readers' information.*

**M**ore than 2,000 people came out for the Black Radical Congress held Saturday in the University of Illinois's Chicago Circle Center and headlined by the likes of author and Harvard professor Cornel West and famed poets Sonia Sanchez and Amiri Baraka.

No longer led by a line of 20-something firebrand intellectuals not content with talk, the Black Radical Congress now represents a matured movement built on analysis of modern-day problems and dedicated to consensus before moving forward.

"We are very familiar with the description of the problem," said Jamala Rogers, chairwoman of the Black Radical Congress National Continuations Committee. "We are here to write a prescription for the problem, and it's clear a lot of folks want to do something and want to be radical in their approach."

The three-day conference coincided with Juneteenth, or June 19, the day

freedom was announced in Texas in 1865, nearly three years after the Emancipation Proclamation was signed by President Abraham Lincoln. Participants discussed ways to free people of color and the working poor from the clutches of capitalism, poverty, and powerlessness.

[Other] Juneteenth events [in Chicago] included a Black Expo, a marketplace of black businesses that drew thousands to Soldier Field, and a South Side street festival sponsored by the Rainbow/PUSH Coalition, where about 200 people gathered for fun and food.

While people enjoyed festivities outdoors, serious dialogue ensued between gray-haired and college-age activists and scholars during 30 workshops at the Black Radical Congress. Topics ranged from police brutality to environmental racism to examining the role of the church in the black movement.

"I came to the conference because of the amount of institutionalized oppression that now has gone beyond our national borders," said Michelle Y. Holliday, a research post-doctoral fellow at the U. of I. at Chicago. "I feel overwhelmed by this conference."

Conference organizers, expecting a crowd of 400 to 500 people, also were overwhelmed by the response.

Though leaders were reluctant to talk about the method in which the new Black Radical Congress agenda will be constructed or when it will be launched, they said the goals are clear.

"With the level of capitalism, unemployment, homelessness, we are in crisis," said Manning Marable, a Columbia University history professor and co-convenor of the conference. "We are living in a society that clearly has failed the people. The Black Radical Congress is a statement of a necessity for a broader movement." □

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## Document

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# What Is The Black Radical Congress (BRC)?

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*The following document explaining the Black Radical Congress of June 19–21, 1998, was posted on the Internet, as was the accompanying document "Principles of Unity."*

**O**n Juneteenth, 1998, on the campus of the University of Illinois at Chicago more than 1,000 Black radicals — activists, scholars, and artists will gather to reflect on our collective past, analyze our contemporary reality, and explore strategies and visions for the future. Speakers and panels will examine a variety of key topics. Black political prisoners, the eradication of welfare, police brutality, the advance of technology and the erasure of jobs, the prison industrial complex, the impact of sexism and homophobia on the Black community, and the crisis of leadership in our community.

We will also celebrate the long and rich tradition of Black resistance from Frederick Douglass and Harriet Tubman to Paul Robeson, Malcolm X, Ella Baker, and Audre Lorde. There will also be cultural celebrations and remembrances: music, performance and poetry. Books, magazines, posters, t-shirts, and a range of literature will be available in a virtual marketplace of radical ideas.

This will be an historic gathering bringing together in the same room and on the same platform individuals who have been deeply engaged in political struggle for several decades alongside

younger activists who we understand are the freedom fighters of the future.

## What Is the History of the BRC and Why Is it Being Held?

The BRC grew out of a series of discussions among five veteran activists, from very different political backgrounds, about the current political crisis facing African Americans and other oppressed people in this country. This small core group then began to talk to others about how we might more effectively respond to the situation. We all were and are angered and outraged by the sharp attacks being waged against our people:

the attacks on Affirmative Action, the brutal assault on services to the poor and homeless, the erosion of public affordable housing, the shrinking number of jobs and rapid growth of prisons, and the call for male-dominated families as our salvation.

All of these developments combined send a signal that we are confronting an urgent situation rendered even more urgent by the growing visibility of conservative and reactionary forces within our community; forces that would have us believe that we, rather than the system we live under, are our worst enemy.

This expanded group then began to talk about the fragmented state of the Black radical movement at a time when such leadership is needed the most. We agreed that if we can learn anything from the right it was their ability to transcend ideological and organizational differences in order to mobilize around issues like abortion. They were able to successfully sustain a campaign, shift the dialogue and the underlying assumptions governing that dialogue, and maximize their use of resources, including the media.

It seemed to us the idea of bringing together the varied sections of the Black radical tradition - Socialists and Communists, revolutionary nationalists, and radical Black feminists and womanists — was long overdue. We began talking with others about the idea and possibilities for such a gathering.

In March of 1997, some 70 activists from more than twenty cities across the country came together in Chicago to begin planning for a Black Radical Congress. Those who gathered reflected a broad spectrum of the radical tradition. Participants came as individuals but represented connections to groups ranging from New Afrikan People's Organization, Black Workers for Justice, The Labor Party, The Communist Party, The Malcolm X Grassroots Movement, African American Agenda 2000, The Chicago Ida B. Wells Forum, and the Committees of Correspondence. This group agreed to host a Black Radical Congress and constituted itself as the continuations committee.

In order to expand and diversify the planning group even further, each participant was asked to invite one additional person to the next national

meeting. The discussion at the Chicago meeting was positive and energetic. The group established principles of unity, committees, and a timetable for moving forward. Three subsequent national meetings of the continuations committee were held in Washington, D.C., in May of 1997, in Atlanta in September 1997, and most recently in New York City in January of 1998. A "Call for the Congress" was drafted and issued with the names of over 100 conveners. Some of those who endorsed the call and have participated in the process include: Abdul Alkalimat, Bill Fletcher, Jr., Manning Marable, Leith Mullings, Barbara Ransby, Barbara Smith, Cornel West, Salim Muwakkil, Charlene Mitchell, Angela Y. Davis, Amiri and Amina Baraka, Sonia Sanchez, Sam Anderson, Evelyn Hammonds, Julianne Malveaux, Jarvis Tyner, General Baker, Ahmed Obafemi, Cathy Cohen, Robin D. G. Kelley, and many others. As this effort gained momentum, 300 plus people have participated in the planning process.

### **Why Do We Need to Look at Radical Solutions to the Problems Facing People of African Descent?**

The mainstream media would have us shrink from the term "radical." Political radicals in recent years have been portrayed as religious fanatics and violent terrorists. In the most basic sense, radicalism means "getting to the root." Black radical politics means looking at some of the fundamental injustices in American society and attempting to root them out. For generations we have engaged in reform struggles that have made gradual small changes in the society. But we gain ground and we lose ground. At the present moment we see a backlash in which the victories that many people fought, marched, went to jail, and died to win in the 1950s, '60s, and '70s are now being systematically reversed.

We need radical solutions for the 21st century because the problems we are experiencing are deep rooted, long-standing, and fundamental. For starters, we have to question a profit system in which the rich get richer, with the richest 1 percent of the population controlling 90 percent of the wealth. There is

something fundamentally wrong with a society in which some people live in multi-million dollar homes while others huddle in tunnels and abandoned buildings because they have no home. At the same time, poor Black women are vilified as an excuse for denying them welfare benefits. There is something fundamentally wrong with a government that spends more on parties and state dinners than it is willing to spend on basic subsistence for poor families.

We want to critique the political and economic realities of American capitalism on this fundamental level, at the same time that we map out strategies for day to day survival and advancement, and even more importantly, dare to dream and fight for something better.

We embrace an identification with the term "radical," insist on a radical critique of the society we live in, and celebrate the radical tradition as noble and venerable. When we look at the past we are reminded that many political leaders and visionaries who are accepted and revered today were viewed as "radical" in the past. In this category, we think of Denmark Vesey, Cinque and the Amistad rebels, Sojourner Truth, Malcolm X, Fannie Lou Hamer, and even Martin Luther King, Jr. In South Africa, Nelson Mandela was labeled a radical and a "terrorist" for his opposition to apartheid. Today, he serves as the still-troubled nation's first democratically elected president. We need to challenge negative associations with radicalism and in contrast embrace a radical tradition as our only hope for a more humane future and world.

### **How Can and Why Should Other Progressive Forces Support the BRC?**

Historically, Black resistance to American injustice has been a catalyst for other struggles, beginning with the militant anti-slavery freedom fighters of the ante-bellum days. At the same time we recognize that Black people don't have a monopoly on oppression. The BRC sees the struggle for peace with justice, at the same time we embrace the militant slogan "no justice, no peace" for a global struggle. We are not narrow and exclusive in our political vision. Even the term "Black people" encompasses a rich, diverse, and international commu-

nity, spanning from Africa to the Caribbean to Latin America.

More fundamentally, we understand we cannot assess our enemies or allies by skin color. We recognize the struggles of Puerto Ricans, Chicanos, Native and Asian Americans, and poor whites as parallel to our own. We understand the importance of struggling on multiple fronts simultaneously. The BRC is one such front. We invite support and solidarity from our sisters, brothers, and comrades around the globe.

### **What Is Going To Happen After The BRC?**

There is no hidden agenda or predetermined outcome. At the same time, there are many possibilities. We can network and learn more about the many different struggles and projects we are collectively engaged in on local battlefronts throughout the country. We can identify a common ground statement of unity to connect us to one another. We can and will explore the likelihood of future such gatherings. We can endorse ongoing campaigns and perhaps identify new ones. We can and will build a national communications network to continue collaborations.

### **Why Should African American Activists, Intellectuals, Organizers, and Artists Attend, Build, and Participate in the BRC?**

In Texas, California, and Michigan, racist anti-affirmative action laws have closed the doors of higher education for thousands of students of color. From Rodney King to Abner Louima to Jeremy Mearday in Chicago, police brutality continues.

Journalist and activist, Mumia Abu-Jamal, is still on death row and sister Assata Shakur is still in exile in Cuba for her role in the Black Liberation struggle. Black women are maligned as promiscuous welfare queens, quota queens, or domineering matriarchs outside of our communities, and unfortunately as bitches and hoes by a small but vocal array of forces inside our communities.

The bottom line is that the Democratic Party will not save us. A 21st century messiah will not save us. We have to save ourselves. The radical self-help

tradition is a tradition of collective struggle. We can only begin that process by coming together to learn, study, struggle, and strategize. Please join us.

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"Without struggle, there is no progress" (Frederick Douglass)

Let's struggle.

"We cannot dismantle the master's house using the master's tools" (Audre Lorde)

Let's create new tools.

"...by any means necessary" (Malcolm X)

Let's strategize, mobilize, and generate the means.

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Congress Program (draft; subject to change)

June 19–21, 1998

Chicago, Illinois University of Illinois, Circle Center

Friday, June 19th

12–2 p.m. Protest March and Rally with local housing coalition

2:30–5:00 p.m. Meeting of Continuations Committee

6–9 p.m. Opening Plenary: Intergenerational Conversation On Politics, Culture with General Baker, Amiri Baraka, Kathleen Cleaver, Angela Davis, Nelson Peery, Ahmed Rahman, and Barbara Smith

Saturday, June 20th

8–9:00 a.m. Caucus breakfasts

9:00–10:20 a.m. Plenary: The Conditions We Face Today with Makungu Akinyele, Humberto Brown, Cathy Cohen, Marian Kramer, Manning Marable, Tyree Scott, Jarvis Tyner, and Sarah White

10:30–12:15 Series of concurrent sessions

1. State Terrorism, Police Brutality and Prisons
2. Economic Justice
3. Environmental Racism

4. Housing and Community Development
5. Reparations
6. Gender, Patriarchy, and Feminism
7. Struggle for Education
8. Affirmative Action
9. Anti-Imperialism and International Struggles
10. Organizing the South
11. Sustaining Viable Community Organizations
12. Socialism and Black Liberation

12:30–2:00 Lunch

2:15–4:00 Proposed sessions and Working groups on various arenas of struggle and topics relevant to Black radical politics

1. Labor Organizing
2. Political Prisoners
3. Students and Youth Organizing
4. Fighting Homophobia
5. Health Care and AIDS Crisis
6. Electoral Politics
7. Politics of Culture
8. Media
9. International Human Rights
10. Coalitions
11. Religion and Spirituality
12. Radical Historians
13. Local Chicago Struggles
14. Black Studies in the 21st Century

4:15–6:30 Plenary: Voices From Battlefronts with Abdul Alkalimat, Aisha Anderson, Sam Anderson, Bill Fletcher, Barbara Ransby, and Jamala Rogers

6:45–8:15 Dinner with LOC's

8:30–10:00 Cultural event

Sunday, June 21st

8–9 a.m. Caucuses

9–10 a.m. Spiritual/Ritual Event around Juneteenth remembering those who have sacrificed and gone before us, including exiles and political prisoners

10–11:30 a.m. Short report backs from Saturday sessions

11:30–12:30 Lunch

12:30–3:00 Which Way Forward? What Comes Next?

3:30–4:00 Closing remarks

4:00–5:00 Cultural unity performance

# Principles Of Unity

The Black Radical Congress will convene to establish a “center without walls” for transformative politics that will focus on the conditions of Black working and poor people.

Recognizing contributions from diverse tendencies within Black Radicalism — including socialism, revolutionary nationalism, and feminism — we are united in opposition to all forms of oppression, including class exploitation, racism, patriarchy, homophobia, anti-immigration prejudice, and imperialism. We will begin with a gathering on June 19–21, 1998. From there we will identify proposals for action and establish paths forward. The Black Radical Congress does not intend to replace or displace existing organizations, parties, or campaigns but will contribute to mobilizing unaffiliated individuals, as well as organizations, around common concerns.

1. We recognize the diverse historical tendencies in the Black radical tradition, including revolutionary

nationalism, feminism, and socialism.

2. The technological revolution and capitalist globalization have changed the economy, labor force, and class formations that need to inform our analysis and strategies. The increased class polarization created by these developments demands that we, as Black radicals, ally ourselves with the most oppressed sectors of our communities and society.
3. Gender and sexuality can no longer be viewed solely as personal issues but must be a basic part of our analyses, politics, and struggles.
4. We reject racial and biological determinism, Black patriarchy, and Black capitalism as solutions to problems facing Black people.
5. We must see the struggle in global terms.
6. We need to meet people where they are, taking seriously identity politics and single-issue reform groups, at the same time that we push for a

larger vision that links these struggles.

7. We must be democratic and inclusive in our dealings with one another, making room for constructive criticism and honest dissent within our ranks. There must be open venues for civil and comradely debates to occur.
8. Our discussions should be informed not only by a critique of what now exists, but by serious efforts to forge a creative vision of a new society.
9. We cannot limit ourselves to electoral politics — we must identify multiple sites of struggles.
10. We must overcome divisions within the Black radical forces, such as those of generation, region, and occupation. We must forge a common language that is accessible and relevant.
11. Black radicals must build a national congress of radical forces in the Black community to strengthen radicalism as the legitimate voice of Black working and poor people, and to build organized resistance. □

## New Controversy for the Nation of Islam

by Joe Auciello

*Thanks to Prof. Ernest Allen of the W.E.B. DuBois Department of Afro-American Studies at the University of Massachusetts in Amherst, for his comments on an earlier draft of this article.*

It was a decision that startled follower, friend, and foe alike. In March, Minister Louis Farrakhan, leader of the Nation of Islam (NOI), appointed Muhammad Abd Al-Aziz as captain of the Fruit of Islam (the organization's security force) in New York City and of the Nation of Islam's East Coast Region.

Captain Aziz, formerly known as Norman 3x Butler, was one of three men convicted of the murder of Malcolm X in 1965. Min. Farrakhan's decision places Muhammad Aziz as second in command over Harlem's Mosque No. 7, formerly led to prominence by Malcolm X until he split from the NOI in 1964.

Muhammad Aziz has always denied any role or responsibility in the murder of Malcolm X. One admitted killer, Talmadge X Hayer, testified that Aziz was innocent and has always stood by that claim. In 1977 Hayer signed an affidavit that named four other individuals as his accomplices in the murder. However, a new trial was never held, partly because Malcolm X's widow, Betty Shabazz, who died last year, did not want to reopen the case.

In 1985 Aziz was paroled and since 1991 has worked as a director of a Harlem drug rehabilitation center. Through his years in prison and since his release

Muhammad Aziz has retained his membership in the Nation of Islam.

*Village Voice* writer Peter Noel, who broke the story, suggested that Muhammad Aziz received the appointment from Minister Farrakhan as a reward “for doing the right thing...Could it be Farrakhan's way of saying, as Malcolm himself once proclaimed, that it is the chickens coming home to roost?”

### Antagonistic Reaction

Most newspapers and wire services in the subsequent days took their lead from the *Village Voice* article. Reaction to the announcement was immediate and sharply antagonistic. The *Boston Globe*



quoted Walid Muhammad, a member of a rival Muslim organization, as saying, "From where I sit it looks like a slap in the face...I think it's horrible and raises questions about Farrakhan's scruples."

According to a UPI report, New York State Senator David Peterson "has received numerous calls from Harlem residents expressing outrage over the appointment of Muhammad Abdul Aziz."

Given the predictability of such criticisms, the question remains, Why did Minister Farrakhan make the appointment of Muhammad Aziz in New York City where it would surely arouse the greatest possible controversy?

Of course, throughout his career, Minister Farrakhan has never shied away from publicity, and he has used media criticism to good effect. Denunciations from the white media, Jewish organizations, and government officials has increased Minister Farrakhan's popularity in the Black community and brought more attention and recruits to the Nation of Islam.

Further, it can be argued by the NOI that Muhammad Aziz served his prison sentence and so deserves the opportunity to resume a legitimate place in society, especially as there is good reason to believe that he was falsely accused. NOI support for Aziz underscores the symbolic value of redemption, making critics appear to be unforgiving and heartless.

### Another Aspect

But there is another possible aspect to Farrakhan's decision about Muhammad Aziz. When viewed in the context of the Nation of Islam's internal politics and culture, a number of factors may have combined to make this move desirable to the NOI leadership. Mosque No. 7 had apparently been in some turmoil recently with the removal of Minister Conrad Muhammad and his replacement by the newly converted Benjamin F. Muhammad, formerly Ben Chavis, deposed head of the NAACP. By defending Aziz and elevating him to a leadership position, Farrakhan will have created a loyal lieutenant for Benjamin F. Muhammad, one free of old ties within the mosque.

The appointment of Capt. Aziz may also mollify possible discordant elements within the NOI. It is a move that would please more traditional follow-

ers, who might be disturbed by several of Minister Farrakhan's recent decisions and direction for the organization he leads. External criticism often promotes internal cohesion.

Minister Farrakhan proclaims fidelity to "every word" taught by the NOI's founder, the Honorable Elijah Muhammad, who is hailed as the "Last Messenger of Allah." Yet — in an effort to make the Nation more appealing to orthodox Muslims in the United States and throughout the world — Farrakhan has recently taken steps that run counter to some of Elijah Muhammad's teachings. It should be noted that approximately 5 million Muslims live in this country, more than twice as many as Episcopalians and Unitarians combined. These Muslims are a possible source of recruitment, influence, and growth if Minister Farrakhan can draw them closer to the Nation of Islam.

Of late, Farrakhan has tried to establish a bridge to these orthodox Muslims by downplaying the more sect-like doctrines of the NOI. For instance, where Elijah Muhammad proclaimed white people to be "devils" by nature and Black people, divine (a view alien to the Qur'an), Farrakhan recently stated to a white interviewer that NOI doctrine "doesn't suggest that we are superior or that you are inferior" (on "Meet the Press" April 13, 1997). Minister Farrakhan has even allowed that "as the Nation of Islam matures" white people may want to join the organization and "none of us could say to a white person...that we would not respect him as a Muslim."

As three "World Friendship Tours" to Africa and the Middle East signify, Farrakhan is keenly aware of the larger Islamic world and is eager to establish friendly relations with Muslim political and religious leaders. For such approval and the legitimacy it may confer, he has been willing to appear as an apologist for General Sani Abacha, the recently deceased military dictator of Nigeria.

The possibility of political and especially financial support for the Nation of Islam from Africa and the Middle East (reportedly Colonel Muammar Qaddafi of Libya promised one million dollars) is a powerful lure. Thus, a more orthodox form of Islamic doctrine may have seemed necessary and worthwhile to Farrakhan despite the criticisms that

were bound to ensue. As the economic catastrophe intensifies for poor and working-class Black Americans — core supporters of the NOI — the need for Islamic "foreign aid" will presumably become even greater.

### Pressure for Muslim Unity

Pressure for Muslim unity in the United States is also increasing, as recent events attest. In his Saviours' Day speech in February of this year, Minister Farrakhan made a notable and unprecedented call for reconciliation with the followers of Warithuddine Mohamed, the son of Elijah Muhammad who led the Nation of Islam away from his father's teachings and toward the more traditional doctrines of Sunni Islam. In the late 1970s Farrakhan broke away from Mohamed, and with the help of other dissatisfied officials reestablished the traditional Nation of Islam, which has since defined itself in opposition to Mohamed and his supporters.

Although the internal life of the Nation of Islam is not open to public scrutiny and its leaders reveal little hint of dissension, it is not difficult to conceive that such statements and projected steps could be disturbing to an untold number of the organization's longtime members.

The appointment of Capt. Aziz and the revival of the Fruit of Islam means a reassertion of NOI tradition that could help forestall the kind of dissent that once brought Minister Farrakhan himself to the position he now holds. As he introduces change into the Nation of Islam, Farrakhan must walk a delicate line as he tries to balance conflicting viewpoints among the membership.

### Some Left-Wing Views on the NOI

Since the success of the Million Man March in October 1995 — an event that took much of the left by surprise — progressives and socialists have been especially concerned to analyze and describe the Nation of Islam in general and Louis Farrakhan in particular.

While some intellectuals and scholars like Black nationalist poet Haki Madhubuti and democratic socialist Cornel West have been generally positive, many left-wing African American commentators, like Angela Davis, Adolph Reed, Clarence Lusane, and Manning

Marable, have written critically and harshly about the NOI's programmatic shortcomings.

In his recent book *Race in the Global Era*, Clarence Lusane criticizes the Nation of Islam for holding a "black conservative agenda, albeit dressed in black nationalist clothing." He attacks the Nation's right-wing views on social issues and its business ventures, along with its political support to conservatives and reactionaries.

Manning Marable, in his newly published book *Black Leadership*, develops many of these same points about the NOI today and places its programmatic deficiencies in the overall history of the organization. Marable especially criticizes Farrakhan for anti-Semitism and ties to reactionary figures like Lyndon LaRouche.

### An Incomplete Analysis

The flaw in this overall argument is not so much that it is wrong — all of the specific points are true — but that it is incomplete. To dismiss the Nation of Islam as a conservative or right-wing grouping is to miss another side of the organization that is a real and vital part of its general makeup. Its Black nationalist consciousness is not a trick or gimmick, but a defining element of its philosophy. Because of its nationalism, the Nation of Islam raises issues and demands and engages in actions that express the needs and concerns of the majority of African Americans, and that majority is made up overwhelmingly of poor and working class people. Thus the NOI agenda is often the same, at least in part, as the general working class, or "left," agenda. On some issues the NOI will participate in united front actions with left groups.

Because of its organizational base in the Black community, the NOI will continue to champion issues vital to that community or risk losing the support which is its lifeblood. Instead of a one-sided dismissal of the NOI as a right-wing grouping, a more accurate description of it would be that it is a *contradictory* organization. Its ideology straddles both right and left, both the small-business outlook and the working-class outlook, at the same time — on occasion favoring one more than the other, but always maintaining both.

As a religious organization, the Nation of Islam is hierarchical, undemocratic, and conservative — no less so than, say, the Roman Catholic Church. The leadership is not directly answerable to the ranks, who are more followers than members. For all of its involvement in secular political issues, the NOI can be sectarian. The NOI has not, for instance, been active nationally in any meaningful way in Mumia Abu-Jamal defense committees.

The Nation of Islam promotes small-time capitalism as at least a partial solution to the long-term unemployment, economic devastation, and racist oppression that continues to plague Black Americans. It promotes a right-wing cultural agenda notable for its opposition to women's liberation, abortion rights, and gay rights. And it maintains long-standing political ties to reactionary organizations. In these respects, the NOI's positions are compatible with conservative Republicanism and right-wing Christian fundamentalism.

### Anti-Semitism

Accusations of anti-Semitism have dogged Farrakhan since the 1984 Jesse Jackson presidential campaign. Despite his frequent and persistent denials of prejudice against Jews, Farrakhan cannot free himself from the accusations. He may praise the "Abrahamic religions" — Judaism, Christianity, Islam — and he may extol the Torah, the Bible, and the Koran, all three, as holy books, but his infamous "gutter religion" comment and his right-wing conspiracy rhetoric continue to taint him with the charge of anti-Semitism.

It must be added, too, that organizations like the Anti-Defamation League have made good use of a high-profile enemy like Farrakhan. Reconciliation would not be entirely to their benefit.

When Farrakhan explains that Black people have remained among the most exploited in America, he describes a capitalism perverted by a small, conspiratorial band of greedy Jews with names like Warburg and Rothschild. This is the stuff of classic anti-Semitism, kept alive and made semi-respectable today by reactionary figures like Pat Robertson.

What, to Farrakhan, is a conspiracy is really only the normal functioning of capitalism. For him to concede the valid-

ity of an anticapitalist analysis would call into question the small business practices of the Nation of Islam, an essential element in their "do for self" philosophy.

Farrakhan accurately and rightly condemns the results of capitalism, but he does not acknowledge that it is the nature of this system to produce the inequality, oppression, and poverty which he so forcefully denounces. His anti-Semitism is of a kind explained long ago as "the socialism of fools."

Yet these weakness do not tell the whole story. If the conservative side of its program were the organization's only message, it would be difficult to explain the leadership role it has undeniably earned throughout Black America and abroad.

### A Contradictory Organization

Politically, the Nation of Islam is a contradictory organization. It gives voice to a deep-seated, angry, and militant nationalism in the Black community, calling for the end of white supremacy and raising important political demands in its quest for peace, justice, and equality. The NOI's support for the Jericho '98 rally on behalf of U.S. political prisoners (whose speakers included NOI Min. Benjamin F. Muhammad), and its call for the Justice Department to open the files of Malcolm X, Martin Luther King, Jr., Black Panther leader Fred Hampton, and others who it proclaims as "victims of government repression," strikes a chord among the increasingly dispossessed and marginalized millions of Black Americans.

The NOI opposes U.S. war efforts against Iraq and denounces the U.S. embargo of Cuba and Libya — both countries which Farrakhan has recently visited.

When a group of white supremacists in Texas chained a Black man to the back of a pick-up truck and dragged him more than two miles to his death, the Rev. Jesse Jackson arrived with a call for "resurrection." In contrast, the Houston minister of the Nation of Islam called for armed self-defense of the Black community. At a protest rally in Boston sponsored by the Rainbow Coalition Party, an NOI minister demanded the death penalty for the racist murderers.

These deep and defining contradictions — the awkward balance of left and right positions — were starkly displayed in February this year at the NOI's

*Continued on page 56*

# Singer for “Rage Against the Machine” Speaks Out Against NAFTA and for the Zapatistas

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*Zach La Rocha is a 28-year-old Chicano from Los Angeles, California, who has visited and accompanied the Zapatista communities four times in the last few years. This interview was originally posted on the Internet by the organization Enlace Civil of San Cristóbal de Las Casas in Chiapas, Mexico. Dated July 7, 1998, the translation was done for Nuevo Amener Press by Rosalva Bermudez-Ballin.*

It is important for me, as a popular artist, to make clear to the governments of the United States and Mexico that despite the strategy of fear and intimidation against foreign observers [traveling to Chiapas], despite their weapons, despite their immigration laws and military power, *they will never be able to isolate the Zapatista communities from the people in the United States.*

The rock band “Rage Against the Machine” has become an alternative medium of communication for young people.

We have created a great level of cooperation between groups and people to spread the ideas of the Zapatista movement in its relationship to the poor, the young, the excluded, and the dispossessed in the United States. Through concerts, videos, interviews, broadcasting of information at concerts, and our song’s lyrics we have placed within reach of young people, our audience, the experiences of the Zapatistas; we act as facilitators of the ways in which they can participate and put them in contact with the organization and the Zapatista support committees in the United States.

### “Our Music Has Become a Bridge”

The interest and involvement of the young people of the United States in the struggle of the indigenous people of Chiapas is greater each day because of these things; thus, we feel a part of this process and for this reason our music has become a bridge.

I don’t have a special FM3 visa, I don’t recognize the PRI as a legitimate political power in Mexico because it bases its practices on extortion and it maintains its power through terror and not by the consensus of the people. Through my experience with the Zapatistas, I have found a series of principles, a form of resistance, a way of being and

organizing in which I recognize myself. That is why I don’t acknowledge Zedillo, but do acknowledge the EZLN; it is they who have invited me.

### The Chicano Movement in the U.S.

My interest in this struggle has to do with my personal experiences, with my roots, my family. My father is a Chicano muralist. He belonged to the group Los Four, the only Mexican group that had an exhibition at the Los Angeles Art Museum. His attempts at trying to build bridges between the artists in Los Angeles, the workers, and the Chicanos against the Vietnam war, led me, politically, toward the National Liberation movements. Also, my Sinaloan grandfather’s experiences as a revolutionary fighter; he fought in Canalia in 1910.

My grandfather went to the United States as an economic migrant. He worked as an agricultural laborer in Silicon Valley, California. His working days lasted 15–16 hours daily, sweating and subjected to poverty...I see his experience reflected in the testimonies of the Zapatistas, the indigenous peasant rebels who struggle every day to make a living.

This is the fourth time I have come to Chiapas. I have had a different experience each time.

I was in San Andrés during the second round of peace negotiations. It was in May 1995, just after the military offensive in February. This was when the San Andrés sessions were starting and with it, a hopeful peace process. This process was a bit cynical because in the history of the negotiations there has always been, in one way or another, a failure...

And this ended up being the same thing because the government has not complied with the accords that it signed.

### The San Andrés Peace Process of 1995

At that time, the Zapatista delegates were protected by more than 5,000 indigenous people from all over Mexico who had come to the Tzotzil town of San Andrés carrying posters and sheets and colors in support of the EZLN; they formed a peace cordon around the site of the dialogue in order to defend the Zapatistas and give them political support.

I got a lot from that experience. It was impressive for me to be able to live that emotion and then being able to communicate to the people in the United States the resistance of the people and the testimonies of the peasants.

In February 1996, I visited civil camps for peace, in La Garrucha. There, I experienced the terror and the intimidation of the integrity of the people by the soldiers; the isolation in which the communities had to subsist; the military camps located between the houses and the fields. I understood then that one of the great missions of a “low-intensity war” is to wear out the people through hunger and to create lack of goods. That starvation practice against the people has the same effect as throwing bombs on the population, but is more comfortable for the rulers because it maintains Mexico as a stable place and as a suitable place for financial investments. And it doesn’t place the Free Trade Agreement [NAFTA] at risk.

We were witnesses to that. We saw how the soldiers burned and razed the fields, threw the children out of schools, and turned the schools into barracks...

And each time we became more familiar with the Zapatistas’ form of organization, communal work, and cooperation. And I realized that the intentions behind the militarization were to break down the community, to

*Continued on page 60*

# Russian Miners Demand: "Yeltsin Out!"

by Renfrey Clarke

The following article was written for the Australian publication *Green Left Weekly* by its Moscow-based correspondent Renfrey Clarke. It was posted on the Internet June 24.

Early on June 11 a train drew into Yaroslavsky Station in the Russian capital, bringing 150 miners from the Pechora coal basin in the country's Arctic north. Linking arms, the miners marched through central Moscow to the building that houses the Russian parliament. After a brief demonstration, they again headed through the streets to the main federal government office building — the so-called White House.

More than a week later they were still there, reinforced by hundreds of other miners from almost all of the country's coal-producing regions. The picket provided stark evidence that a month after the sharpest clash between miners and the state in Russia's post-Soviet history, none of the grievances of coal industry workers were any closer to being resolved.

This was not the first time miners had come to Moscow, thronging the space before the White House, chanting slogans and beating their helmets rhythmically on the paving stones. But in the past they had brought mainly economic demands — above all for the payment of back wages. Now the issue of wages was almost passé. Only one thing would satisfy the picketers — the resignation of President Boris Yeltsin and his government.

"That's the main demand now," Aleksandr Surin, from the Komsomolskaya mine near Vorkuta in the north, declared on June 16. "Any faith we had in the government ran out long ago."

Alongside the ornamental bridge where the rows of picketers were seated, a banner echoed Surin's thoughts. "Boris, we lifted you up — we'll get rid of you too!" (Miners' support for Yeltsin in 1990-91 was a key factor in his winning the Russian presidency.)

Miners' union leader Aleksandr Sergeev declared to television reporters: "Just as million-strong meetings raised Yeltsin to power in 1991, we now hope to show with million-strong meetings that the people are frankly tired of him."

Union sources put the total wage debt owed to coal sector workers as high as 3.8 billion rubles (more than US\$600 million), with some workers owed pay from as far back as early 1997. Since the picketers arrived in Moscow, government spokespeople have been at pains to insist that this sum is not owed by the state. "The government doesn't pay wages to miners — managers of coal enterprises do," Deputy Prime Minister Boris Nemtsov has been quoted as saying.

But according to Ruben Badalov, deputy chairperson of Russia's main coal industry union, this argument is fundamentally misleading. The main reason why coal customers are not paying for their fuel is because of government policies.

"Indirectly, the government is responsible for about 70 percent of the debt to the miners," Badalov was quoted recently as saying. "If the government says there is no problem, what choice do people have but to man the barricades?"

## Miners Blocked Rail Lines in May

For close to a week in late May the barricades kept Russia effectively split in two, as miners and numerous supporters in the Kuzbass coal district of Western Siberia blocked key rail arteries and halted traffic to and from the country's eastern regions. With similar blockades in other coal districts, the miners at one point held more than 600 trains at a standstill.

Lacking effective national coordination, the miners were eventually ground down in talks with government leaders. Most of the blockades were lifted in exchange for unspecified promises that the government would pay part of the wage arrears, and would provide new jobs for miners when their pits were closed. But in the Pechora basin there was no compromise deal. The miners finally unblocked the tracks, but rejected a plan for the region presented by Economy Minister Yakov Urinson.

As the weeks have passed and action on the government's promises has failed to materialize, miners throughout Russia have concluded that further efforts to reason with the authorities are futile. At the Moscow picket, suggestions that the miners put their trust in "dialogue" have brought sarcastic rejoinders. "Continuing to demand that the government solve our economic problems is useless, and it's even more pointless to hold talks with them on political issues," trade union leader Aleksandr Kolosulin, from the Pechora basin city of Inta, told the newspaper *Trud* (Labor).

The government's plans for the coal industry, indeed, have no serious place for accommodation with the miners. For that matter, these plans have no place at all for huge sections of today's mine workforce.

## World Bank "Reform" of Russia's Coal Industry

Over the past two years, the Russian government has collaborated with the World Bank to "reform" Russia's coal sector. One of the presumptions behind these plans is that Russian heavy industry in the next century will be much smaller and weaker than at the end of the Soviet period, and that its need for coal will be dramatically less.

To some degree, the coal output freed by the running-down of heavy industry will be redirected towards exports. A huge coal loading terminal is currently being built on the Gulf of Finland, and according to Matt Salt of the Institute of Coal in London, Russian coal exports are due to rise from 21-25 million tons in 1997 to 35 million by 2000.

However, the government's main response to reduced domestic demand for coal will be to close mines and lay workers off. According to Salt, the Russian authorities plan to close 140 of about 220 pits currently operating. Of total government funding for the coal industry in 1998, the news service RFE/RL reports, two-thirds has been assigned for mine closures. Employ-

ment in the coal sector is likely to fall by a further 100,000 from a current figure, quoted in the newspaper *Segodnya*, of 359,000. Up to 50,000 miners are reportedly to be laid off this year alone.

To expedite this "restructuring," the World Bank has extended a series of loans to the Russian government, with a sum of US\$800 million approved in 1997. According to RFE/FL, the final US\$200 million "tranche," or outlay, of this loan is not to be released by the bank until half the Russian coal industry is in private hands, and operating without state support. Subsidies to the coal industry, more than halved since 1994, are to end entirely by 2000.

### **No Social Protection for Laid-Off Miners**

In the plans of the World Bank and Russia's new elites, the Russian coal industry of the future is thus to be small, privately owned, and largely export-oriented. Whether such a coal sector could provide a basis for the eventual rebuilding of the country's heavy industries is a moot point. But for the miners, a more immediate cause of alarm is that the government aims to cut them loose, on the tundra or in the Siberian forests, with inadequate social support.

Much of the money lent by the World Bank is to be spent on providing severance entitlements to laid-off miners. But as a rule, these sums are not enough to allow former miners to buy new homes in areas where conditions are less depressed. Russia's notorious housing

shortage anchors coal workers in the decrepit settlements where they at least have a roof over their heads.

The interest which the World Bank shows in the miners stops once they are paid out; according to RFE/RL, the bank has given little funding or thought to helping redundant coal workers find new jobs. For that matter, the idea that there are plenty of jobs for Russian workers who are prepared to relocate or undertake retraining is a myth.

With the government ready to let them starve in the wilderness, it is not surprising that miners see their only chance in a sweeping ouster of the present state authorities. This prospect is not as remote as might be thought. On June 18 *Trud* reported survey findings which showed that during May the number of Russian citizens who disapproved of Yeltsin's actions as president stood at 80 percent. The number prepared to support "tough anti-presidential demonstrations, meetings and strikes" had risen since May last year from 30 to 44 percent.

The call for mass action to force the Yeltsin regime out of office vividly communicates the miners' anger, and has broad popular appeal. But it would be much more effective as a mobilizing demand if it were backed up by a clear program of measures indicating how a government loyal to working people would set about solving the miners' problems.

### **Renationalize the Mines — Restore Planning of Heavy Industry**

Such a program needs to make clear that the coal industry is the government's responsibility — that private capital is neither capable of solving the miners' dilemma nor interested in doing so. There are now almost no investors willing to put money into Russia's coal mines, and the demand for the renationalization of industry assets that have been sold off in the past is a popular one among the picketers at the White House.

Relocation and retraining are not a viable approach to solving the problems of most miners; coal industry workers need jobs and wages where they are now. That requires reviving the industry through restoring demand for its products. A significant step toward achieving this goal would be to begin phasing out Russia's atomic power stations. The crucial need, however, is for the deliberately planned reconstruction of heavy industry, a major coal consumer.

A program such as this would articulate key interests of much broader layers of workers than simply the miners. It could thus help counter the efforts of Yeltsin's ministers in recent weeks to depict the miners as a greedy, privileged group — as industrial bullies forcing scarce funds out of the government while doctors and teachers go unpaid.

Such a program would also reaffirm the real status which the miners have been winning for themselves during the past few years — that of the most determined, forward-looking layer within the Russian working class. □

A sequel to this article is on page 36.

## **Building Trades Workers Shut Down Manhattan**

*Continued from page 15*  
they are standing up for the things workers need everywhere.

### **Building Trades Supported Giuliani — But a Labor Party Is Needed**

Another ironic aspect of the situation is that most New York City union officials

supported incumbent Republican Mayor Giuliani in the mayoral election last year. Building trades union officers probably felt "betrayed" by the awarding of the MTA contract to a notoriously anti-union firm. But what did they expect from a notoriously pro-corporation administration?

Instead of voting for one or the other of the two bosses' parties (Dems and Repubs), the unions can organize their own party, put forward labor's own agenda and fight for it, and win the support of the overwhelming majority, who are workers.

No doubt the Labor Party in New York will now have a lot of ears open to this message among those 40,000 fighting workers. □

# What's Behind Serbia's Aggression in Kosovo

by Michael Karadjis

The following article is reprinted from the Australian paper *Green Left Weekly*, No. 322, June 24, 1998. First posted on the Pegasus conference "greenleft.news." For correspondence and hard copy subscription inquiries, the e-mail address is: greenleft@peg.apc.org

**S**erbian troops in the occupied region of Kosovo are carrying out ethnic cleansing on a scale not seen since the war in Bosnia. Villages have been bombed by helicopters, fighter planes, and heavy artillery or completely burnt, whole families have been massacred, and up to 85,000 people driven from their homes. More than 11,000 have crossed into Albania, many dying along the way.

In what the Western media calls "the Serbian province of Kosovo," the Albanian population over the last ten years has been carrying out a "Gandhian" resistance, including setting up alternative government institutions to the brutal occupation by the Serbian army and ultra-right militia. This occupation, begun in 1989, and the subsequent abolition of the autonomy Kosovo had in Communist Yugoslavia, was the first attack on the Yugoslav constitution by the Serbian chauvinist regime of Slobodan Milosevic, which culminated in the Yugoslav federation's destruction by a drive for a "Greater Serbia."

## U.S. Envoy Holbrooke and the New Wave of Ethnic Cleansing

Why did this latest, most massive wave of ethnic cleansing occur just after the visit to Belgrade in mid-May of U.S. special envoy in the Balkans, Richard Holbrooke?

Holbrooke pressured Milosevic and Ibrahim Rugova, the leader of the "parallel" Kosovan parliament, to come to the negotiating table, even though the conditions set by the Albanian side — third-party involvement, cessation of hostilities, and withdrawal of Serbian special forces — had not been met.

"Unfortunately, experience teaches us that where Holbrooke passes, democracy usually does not flourish," said Ognjen Pribicevic and other speakers at a recent discussion at the Belgrade Media Center.

## Serb-Western Alliance

Holbrooke is no stranger to the region. He was behind the Dayton Accord in 1995, which legitimized the ethnic partition of Bosnia, giving half the UN member state to an ethnically cleansed "Bosnian Serb Republic," the so-called "Republika Srbska."

It was not entirely coincidental that virtually the minute Holbrooke finished his 17 hours in Belgrade, Milosevic launched a three-pronged attack on oppositional voices inside Serbia: the suppression of the broadcasting rights of nearly all electronic media, the ending of the Tito-era autonomy of the universities, and the illegal replacement of the federal government and appointment of Momir Bulatovic — a Milosevic man who was recently defeated in Montenegro's election — as "federal" prime minister, against the recommendations of Montenegro's government.

Holbrooke got what he wanted, publicity about the U.S. "creating peace talks," while Milosevic was assured of the West dropping its sanctions threats and of Western silence about the strengthening of his dictatorship. It also bought time for Milosevic so that, under the cover of "negotiations," he could get on with much more vigorous ethnic cleansing.

Whatever happened at the Milosevic-Holbrooke meeting, it is clear that — tactical differences between the Serbian regime and the main Western powers aside — they are in fundamental agreement on two points: that the solution to Kosovo must be found within "Yugoslavia" (the name still used by Serbia and Montenegro), despite the express wishes of virtually every Albanian resident; and that the Kosovo Liberation Army (KLA) must be defeated.

[Officials in Washington have consistently stated their opposition to independence for Kosovo. A State Department spokesperson said explic-



Kosovo Liberation Army fighters

itly in July that the U.S. does not support the Kosovo Liberation Front, which is fighting for independence from Serbia. — *BIDOM*]

## Western Powers Fear the Kosovans' Independent Armed Force

The Western powers could live with the dreadful repression and apartheid in Kosovo, and are only threatening intervention now that there is a serious challenge from the local Albanian population. In recent months, the KLA has grown from small groups of dedicated fighters to a highly organized, mass-based people's army, with the support of the bulk of Albanians inside and outside Kosovo. Estimates of the number of armed fighters range up to about 30,000, controlling 30–40 percent of the territory.

Such a revolutionary force, outside the control of local states or imperialist powers, threatens the "stability" of the region. Only last year, a revolutionary

uprising threatened the progress of capitalist restoration in Albania itself, and a similar eruption in neighboring Macedonia, with its large Albanian minority, could bring regional countries in, including NATO allies Greece and Turkey.

The Western powers are trying to appear as though they were taking a "harder" line on the ethnic cleansing in Kosovo than they did in Bosnia because the repercussions of a mass refugee exodus (let alone the prospect of a revolutionary resistance) could be much wider.

Early in Milosevic's recent offensive, U.S. State Department spokesperson James Jolly claimed the increased presence of the Serbian army on the Albanian border was "legal and legitimate," while Holbrooke spoke of his fears of a "Ho Chi Minh Trail" for arms from Albania to Kosovo. These concerns are behind the current Western threats to intervene.

Western intervention is mainly aimed at placing NATO forces along Albania's border with Kosovo, with the cooperation of a pliant Albanian regime, to prevent arms getting to the KLA. In fact, this is already happening. In exchange for considerable credit from the International Monetary Fund, Albania has agreed to some 100 international police training Albanian government forces to block the supply of arms over the border. (One reason for the spectacular success of the KLA is that last year's uprising in Albania liberated some 700,000 weapons from the regime's armed forces, many ending up in the hands of the KLA.)

If Western air strikes take place against some Serbian forces, there is little doubt it will be after Milosevic has achieved his strategic aims in Kosovo, as was the case in Bosnia.

### **Milosevic's Aims**

Why do the Western powers want to aid Milosevic's strategic aims? Does he have any, in fact, or is this just another attempt to regain support at home by whipping up the tired sentiment of Serbian national chauvinism?

An ethnically pure "Greater Serbia" was the slogan of the rising Serbian bourgeoisie as it broke out of Communist Yugoslavia. However, the presence of 2 million Albanians inside Serbian borders, the inability to pacify them, the

continued pretense of a "Yugoslav federation" together with ethnically Serb Montenegro, and the remaining unclarity of Serbia's final relation to the "Republika Srpska" half of Bosnia, create a permanent instability and identity problem for the new bourgeois nation.

According to Sonja Biserko, of the Serbian Helsinki Center, the continued unclarity about borders and what exactly Serbia/Yugoslavia is, is a major block to the completion of Serbia's privatization campaign.

### **Privatization of State-Owned Property**

Milosevic's Serbia began to lead the privatization drive in the late 1980s, but the break-up of Yugoslavia and years of war, conquest, and massive population movements held it back significantly. At the same time, this period allowed an enormous accumulation of "illegal" wealth by the clique around the ruling party through war profiteering. These people now want to further legitimize their wealth by the latest privatization law, which aims to sell the '75 largest companies.

As the Kosovo war goes on, a scramble for posts in state industries about to be privatized is also going on — to ensure that the clique around the party leaders get the lion's share. A stronger dictatorship will mean they can do this without too much fuss.

Last year's sale of the phone company Serbian Telecom to Italian and Greek investors was a big step, but further foreign investment is unlikely as long as the situation remains unstable. Further, a "solution" is needed for Kosovo to make sure the privatization goes on in that region as well, where many important industries are based. *Almost the entire economy of Kosovo is up for sale, at outrageously low prices!* The Albanian majority will be excluded from taking any shares.

### **Rugova Warns Foreign Investors**

According to Rugova, "the Serbian regime has put on sale the major economic facilities of Kosovo, like Trepca, the Electric Company, Feronikl, etc., which is just a form of economic pressure on Kosovo and its citizens. We

appeal to the international community and the UN to exert pressure on Belgrade to terminate this process. Legitimate institutions of the Republic of Kosovo avail themselves of the opportunity to warn foreign companies that every contract signed with this intention...will be null and void."

In the attempt to crush Kosovo to this end, it is not viable to drive out the entire population. However, if the Albanian population can be driven from the north, the border with Albania, the main cities, and all the regions with important industries, a version of the dream of the "father" of modern Serb nationalism, writer Dobrica Cosic, might be achieved. This vision was of the Balkans divided between Greater Serbia, Greater Croatia, and Greater Albania. Indeed, beginning the offensive in Drenica, an Albanian "wedge" between eastern and Western Kosovo, fits well with such a scenario of territorial division.

If a small remaining part of Kosovo, overcrowded with Albanian refugees, then chooses to declare "independence," the Albanian masses in their bantustan could continue to be a source of cheap labor. If it joins Albania, Milosevic can tell the imperialist powers, so concerned with preserving "the borders of Yugoslavia," that it wasn't him that changed the borders. Kosovo could then be colonized by Serb refugees from the previous wars.

### **The Western Powers' Alternative Plan**

The West preferred a different solution — improving human rights while insisting the whole remain within "Yugoslavia" — which was far less destabilizing than Serbia's risky choice.

However, since future "stability" in the region depends on a strong Serb ruling class which can complete the privatization process, Western leaders aren't blind to the special needs of this class. An imperialist intervention inside Kosovo would have the effect, as in Bosnia, of freezing confrontation lines in favor of the aggressor, delivering Milosevic a victory while allowing him to blame the loss of part of Kosovo on NATO intervention, and allowing Western leaders to send more occupation troops to keep stability in the region under the pretext of keeping the peace. □

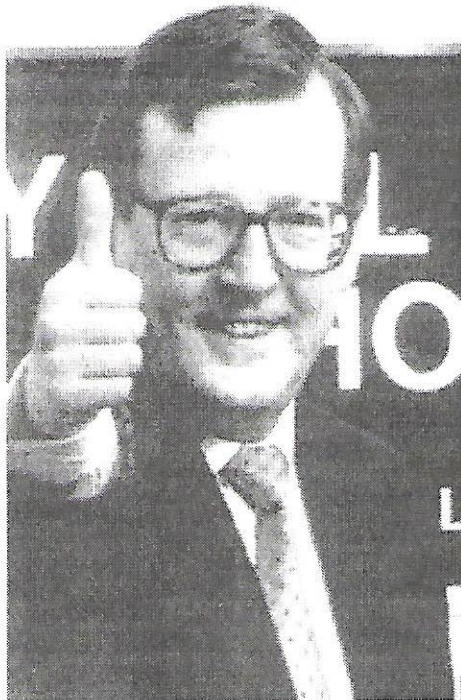
# The Latest Attempt at Peace in Ireland

by Bill Onasch

On Good Friday former U.S. Senate Majority Leader George Mitchell emerged from Stormont in Belfast to make a long-awaited announcement: a new comprehensive peace agreement had been reached between London, Dublin, and eight political parties in occupied Ireland.

Over the past thirty years more than 3,000 residents of the six counties dubbed by the British as "Northern Ireland" have died in what is referred to, in not-so-typical Irish understatement, as "The Troubles." Will this agreement really bring an end to the violence? Will it deal with the causes of the violence? How should socialists respond?

Even though I am not on the scene in Ireland I will claim the time-honored tradition of the Irish diaspora in America to feel free to offer analysis and advice to those who are on the line. While I don't pretend to be in the same league, we have a rich heritage of cross-fertilization of the Irish and American movements by such notables



Ulster Unionist Party leader David Trimble

as Connolly and Larkin, not to mention such less-notables as De Valera. And if a retired U.S. senator can draft the peace accord, a working U.S. bus driver should be able to comment on that agreement as well.

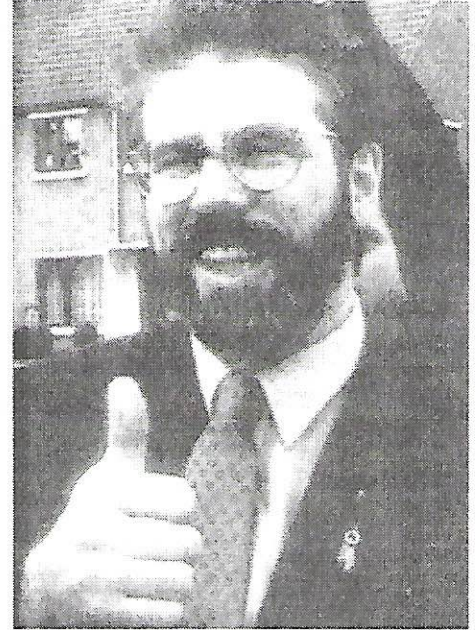
## The Players: Glossary of Groups and Terminology

For those who are not avid followers of the Irish struggle it may be useful to define some references.

**32, 26, 6 Counties.** The island of Ireland has historically been divided into four provinces, containing 32 counties. In the partition deal made with British imperialism in 1921, an Irish Free State, with a capital in Dublin, was established in 26 counties. British rule was maintained in six northeastern counties with a capital in Belfast.

The British colony is sometimes referred to as Ulster but the province of Ulster is actually comprised of nine counties, only six of which are occupied by the British. The original partition was very carefully gerrymandered to assure the enclave a Protestant majority, loyal to the English Crown. The British later applied this partition model — which worked so well for them in Ireland — to India, Palestine, and Cyprus as well.

**Unionists, Loyalists.** The Unionists want to rule the Six Counties as a province of the United Kingdom and maintain privileges for the Protestants at the expense of the Catholic minority. The official **Ulster Unionist Party (UUP)**, led by David Trimble, consists of political cothinkers of the English Tories. They have dominated political power since partition. Having signed on to the peace agreement, they will probably be the dominant party in a newly elected Six Counties Assembly. But the other major Unionist party, the **Democratic Unionist Party (DUP)**, led by Rev. Ian Paisley — who once heckled the Pope at the European parliament — walked out of the talks and will campaign against acceptance. The Loyalists are a more



Sinn Féin leader Gerry Adams

extreme component of the Unionists with paramilitary groups that engage in assassinations and bombings of opponents and often random violence against Catholics. Loyalists are divided on the peace accord.

**Nationalists, Republicans.** Nationalists are the residents of the Six Counties who consider themselves to be Irish and want to be reunited with the other 26 counties. The Republican current among the Nationalists represent the historic continuity of both political and armed struggle to reunite Ireland. They have never accepted the legitimacy of either the Belfast government or the one in Dublin.

**Crown Forces.** The British army has 17,000 troops in the occupied counties. By contrast the Dublin state's total army is only 12,000 strong. London spends about \$5 billion a year on its military operations in Ireland. Some units have become particularly notorious. **Special Air Services (SAS)** is an elite undercover unit that operates against the IRA throughout the world. They made headlines in 1988 when they entrapped and



## After the May 22 Referendum

The May 22 referendum drew the greatest voter participation in the history of the six-county statelet — more than 80 percent of eligible voters marked a ballot. The appeals of “orthodox” Republicans to vote “no,” or to abstain, found little support. It is estimated that more than 99 percent of Nationalists voted “yes.”

David Trimble’s party was deeply split. A majority of UUP MPs opposed the agreement. So did the powerful Orange Order. And of course Paisley & Son’s DUP pulled out all the stops in their opposition. But the best they could do was about an even split among Unionist voters. Overall 71 percent in the occupied counties voted “yes.” When the votes from the Twenty-Six Counties are added island-wide approval of the agreement won 86 percent.

The run-up to the voting confirmed that Tony Blair’s New Labour is continuing the traditional duplicity of London’s intervention in the Six Counties. First Blair granted a weekend parole to several prominent IRA prisoners so that they could attend the Sinn Féin special convention that was to vote on the party’s stand on the referendum. Predictably, the prisoners were given a hero’s welcome by the more than one thousand delegates. The prisoner’s presence and support undoubtedly reassured many SF activists who felt uneasy about the agreement.

But Unionist opponents raised a hue and cry about this “triumphalist” display and warned that these “terrorists” would soon be on the loose again if the agreement was approved. Blair, and his governor in Ireland, Dr. Mo Mowlam, then set about to appease the Unionists by claiming additional conditions for prisoner release that were not part of the agreement. They implied that no IRA prisoners would get freedom until the IRA “decommissioned” their weapons. Nor would any party — meaning Sinn Féin — be allowed seats in the new executive government and the north-south and east-west bodies, unless the armed groups they were linked with disarmed.

The agreement simply states that the parties will “use any influence they may have to achieve the decommissioning of all paramilitary arms *within two years following endorsement in referendums* North and South of the agreement *and in the context of the implementation of the overall settlement*” [emphasis added]. The release is to be spread over two years but to begin immediately.

The IRA issued an Easter statement approving Sinn Féin’s efforts around the agreement but also pointing out that this was far from a final peace settlement. While reaffirming their cease-fire they made clear they were not yet ready to disarm. At the time London brushed aside this statement as no big deal. If they now impose the disarmament condition to prisoner release, and Sinn Féin participation in government bodies, the whole agreement process could explode.

Along with duplicity we have to acknowledge Blair’s hypocrisy concerning decommissioning. The biggest armed group in Ireland is the British army. The air still shudders from constant helicopter movements, the lookout towers and road-blocks remain in place, and foot patrols continue their provocative marches through Nationalist communities — sometimes right through the middle of soccer matches in progress.

Also troubling is the British appointment of the commission studying the RUC. There are no Republican or Nationalist representatives, and only one nominee by the Dublin government — a criminologist at John Jay College of Criminal Justice in New York — was accepted. The chair of the commission is a former chair of the English Tory party and was the last of the Queen’s governors in Hong Kong. The violence and intimidation by RUC thugs is perhaps the single most important issue for Nationalists in terms of their day-to-day life. The composition of this commission does not bode well for stabilizing peace.

There have also been some bizarre developments since the approval of the agreement. Prince Charles threw a big Garden Party on a visit to Belfast, inviting several hundred public officials and civic and business leaders. Loyalists were shocked to hear that Sinn Féin MPs Gerry Adams and Martin McGuinness were on the guest list. How insensitive! they cried. The Prince’s uncle, Lord Mountbatten, was blown away by the IRA while at an Irish vacation home in 1979.

Mo Mowlam quickly announced that she would personally thrust her considerable bulk between the Sinn Féin lads and the sensitive Prince if necessary to avoid any unpleasantness. In the end Adams and McGuinness did not have tea with the royals. They explained that it would not be appropriate for them to socialize with an officer of the British Army unit that had

carried out the Bloody Sunday massacre in Derry.

Blair and Ahern have been busy since the referendum trying to attract more foreign investment. Clinton helped out by dispatching his Secretary of Commerce to lead a delegation of scouts from U.S.-based multinationals checking out new opportunities. New Labour is trying to sell a New Ireland. But so far, investors appear to still be cautious about the prospects for stability.

And well they should. While many sincerely celebrated the victory of the “yes” vote, and have high expectations, turmoil can be expected. Trimble still refuses to speak with anyone from Sinn Féin. The crunch will come after the June 25 Assembly elections when the Shinners are expected to have enough support to claim representation in executive bodies.

Loyalists, particularly the Orange Order, are still planning thousands of triumphalist marches this summer, celebrating their victory over Catholics centuries ago — with the likelihood of violent confrontations in Nationalist neighborhoods.

The agreement has brought a welcome end to widespread killing — for now. But it has not begun to resolve the causes of The Troubles. Ireland is a good example of the continuing validity of Trotsky’s theory of Permanent Revolution. Like the Cuban revolutionists of forty years ago, consistent Nationalists in Ireland will be drawn more and more into class conflict as they fight for national liberation. Any deals made with the New Labour representatives of British imperialism, or with the comprador regime in Dublin, will soon be undermined in practice. The volatile Irish Question will only be resolved ultimately by the coming Irish Revolution, a combined revolution leading to a unified socialist republic.

But it is not enough for us to simply proclaim that goal or to just dream about it. Our place today is alongside Irish workers — and their supporters in the U.S. and elsewhere — who may have illusions about the peace process, but who are trying to sort through the challenges. We need to be part of their fight for equality and self-determination. We should help raise material support for those on the front lines.

We can learn a lot from their courage, tenacity, and innovative tactical approaches. We can help them by offering our analysis, program, and organizational principles.

— Bill Onasch  
June 13, 1998

murdered IRA volunteers in Gibraltar. Together with the **Royal Irish Regiment**, and the **Paras**, they command a wide range of technologically advanced weaponry, including helicopter gunships.

**Royal Ulster Constabulary.** The RUC are the police in occupied Ireland. But they're nothing like the typical British Bobbies that tourists encounter in England. They number 13,000 — in a statelet with a population equivalent to the Kansas City metro area — and are heavily armed with automatic weapons and armored vehicles. Nearly all Protestant, many of the RUC are members of the triumphalist **Orange Order** that seeks to keep Catholics in subservience. They are known for their brutality against Catholics in general and are suspected of collaboration with Loyalist death squads in the targeting and assassination of Republicans.

**Irish Republican Army.** The IRA was formed as a Republican military force in the aftermath of the defeat of the Easter Uprising in 1916. Over the years the IRA has gone through many splits and transformations. The first of those occurred around the partition deal made by Michael Collins, who had commanded the army during the Black-and-Tan Wars with the British.

The partition treaty, seen as a sellout by many, in turn led to a bloody civil war among divided Republicans, which was ultimately won by partitionists. The victors went on to later found one of the two major bourgeois parties in the Twenty-Six Counties today, **Fine Gael**. Most of the leaders of the losing side wound up forming another bourgeois party, **Fianna Fáil** — the current ruling party in Dublin.

For decades the leftover remnants of the IRA remained marginal in Irish politics. A Nationalist upsurge in the 1960s both revived the IRA and led to new splits. The biggest was the split between the **Officials** — dominated by Stalinists — and the **Provisionals**. The **Officials** carried out violent attacks on Republican opponents — especially those they accused of being “Trotskyists.”

Eventually the **Officials** abandoned armed struggle and formed the pro-Stalinist **Workers Party**. The **Provisional IRA**, with considerable popular support, mounted armed action in many forms against not only the occupying Crown

Forces but also Loyalist targets and numerous bombing attacks in England. Today when people speak of the IRA they are talking about the **Provisionals**, or **Provos**, who are linked to Sinn Féin.

**Sinn Féin.** Sinn Féin is a 32-county Republican party with deep historic roots, linked to the IRA. Its stated goal is a united, democratic socialist republic. In the Six Counties it is a mass party, winning about 17 percent of the vote in recent elections. It has two MPs in the British House of Commons — though they do not take their seats because they refuse to swear allegiance to the Queen. While not nearly so influential in the Twenty-Six Counties they have been growing there and have one seat in the Dublin parliament. They were the only Republican participants in the peace talks. Sinn Féin has an extensive network of supporters in the United States, including **Irish Northern Aid** (also known as **Noraid**).

**Republican Sinn Féin.** This party split from Sinn Féin in 1986 over the issue of contesting elections. **RSF** is adamantly abstentionist in elections, opposed the peace talks in principle, and is linked to a split from the IRA called the **Continuity Army Council** — which has recently taken to calling itself the *Real IRA*. It has not observed the cease-fire during the peace talks. It also has supporters in America, including the well-known New York activist **George Harrison**.

**Irish Republican Socialist Party.** Founded in the 1970s by a respected Republican, **Seamus Costello** — later murdered by the Official IRA — as a split from the **Officials**. The **IRSP** emphasizes the dual character of the Irish struggle for national liberation and socialist revolution. The military group they are associated with, the **Irish National Liberation Army**, said they would not carry out any “first strikes” during the cease-fire. However, **INLA** prisoners at Long Kesh managed to kill a notorious Loyalist death squad leader also interned there and they have claimed other recent armed actions that they describe as “retaliatory.”

**32 County Sovereignty Committee.** A recent formation attempting to pull dissidents opposed to the **Mitchell Agreement** out of Sinn Féin and the IRA

for the purposes of continuing armed struggle.

**The Social Democratic & Labour Party.** The largest Nationalist party in the Six Counties, led by **John Hume**. A section of the Second International, it has a moderate left-of-center program and is opposed to armed action. **Hume**, along with Sinn Féin leader **Gerry Adams**, is generally credited for making the recent peace talks possible.

**Socialist Party.** The Irish cothinkers of the international group that includes the **British Socialist Party** (formerly the **Militant tendency**) and **Labor Militant** in this country. They lament sectarian divisions and tend to dismiss the national struggle. They have no connections to paramilitary groups. They won a seat in the recent 26-county parliamentary elections.

**Democratic Left.** A “Eurocommunist” split from the **Stalinist Workers Party**. They reject the Republican struggle. Eager promoters of the “Celtic Tiger” economy, that is dependent on foreign investment in cheap labor, they were partners in the **Fine Gael**-led bourgeois Dublin government that was brought down in the last election.

**Progressive Democrats.** A small moderate bourgeois party in the Twenty-Six Counties with nationalist sentiments. Current coalition partners in the **Fianna Fail** government.

**Irish Congress of Trade Unions.** Union federation with 500,000 members in the Twenty-Six Counties, 200,000 in occupied Ireland. Extremely class collaborationist, deeply involved in “partnership” programs to make employers “competitive.” Supports the **Mitchell Agreement**.

**Irish Labour Party.** The Second International's section in the Twenty-Six Counties with ties to the trade union bureaucracy of the **ICTU**. Although originally launched by **Connolly** and **Larkin**, this party evolved to become partitionist and is hostile to the Republican movement. A small force in parliament, it also was part of the last **Fine Gael** government and supports the **Mitchell Agreement**.

**Northern Ireland Alliance Party.** A bourgeois attempt to bridge the Protestant and Catholic communities with a

program similar to the British Liberal Party. Strong backers of the Mitchell Agreement.

### **The Deal: Summary of the Mitchell Agreement**

The accord runs 69 pages, over 100,000 words. The following is largely based on an excellent summary of some of the highlights of the agreement that appeared in the *Irish Times*.

**Consent Principle.** The document affirms that while a substantial minority in the six counties, and a majority throughout the island, favor a unified 32-county state, there will be no change in the present status of British rule unless and until a majority of residents of the six counties vote to do so. London pledges to recognize any future majority vote for reunification. In the meantime Dublin, and the parties signing the agreement, recognize the legitimacy of the six counties as a province of the United Kingdom. Referenda can be held from time to time on the status question, but no more often than every seven years.

The agreement also recognizes "the birthright of all the people of Northern Ireland" to identify themselves and be accepted as Irish, British, or both. Their right to hold both British and Irish citizenship remains, and would not be changed even if the status of Northern Ireland changed. London pledges to repeal the Government of Ireland Act, ending its claim to jurisdiction throughout the island. Dublin agrees to seek amendment of its constitutional claim to sovereignty over the entire island.

**Assembly.** There has been no legislative body for the six counties since London dissolved the old Stormont parliament in 1972. That institution was run in a triumphalist manner by the Unionists and was universally despised by Nationalists. The new accord provides for the election of a 106-member Assembly on the basis of a proportional representation system that would presumably prevent the Unionist majority from swamping the Nationalist minority. Committee chairs, ministerial posts, and committee places will be allocated in proportion to party strength.

Key decisions of the Assembly must be taken on a cross-community basis. For a decision to be made by simple majority, there must be a majority

among both Nationalist and Unionist members. Alternatively a decision can be passed with just 40 percent of Nationalist or Unionist votes, but only if its support amounts to 60 percent of the total voting.

This Assembly will meet first as an interim body without legislative and executive powers. During this interim period it will agree to standing orders and working practices and prepare for the establishment of the new north-south and east-west institutions. There will also be an interim executive during this period. Eventually, there will be an Executive Authority, with a First Minister, Deputy First Minister, and up to 10 ministers with departmental responsibilities. The ministerial posts will also be allocated on a proportional basis.

The Assembly will have authority to pass legislation for Northern Ireland in areas of policy devolved to it by London. It can legislate in other "reserved" areas subject to approval by the British Secretary of State.

**North-South Ministerial Council.** The Council will bring together ministers from Dublin and the new Belfast Assembly to "develop consultation, cooperation and action within the island of Ireland — including through implementation on an all-island and cross-border basis — on matters of mutual interest within the competence of the administrations, North and South." These areas include: animal and plant health; teacher qualifications; transport planning; environmental protection; tourism; social security fraud; and certain EU programs.

**British-Irish Council.** This body will consist of representatives of the British and Dublin governments, and "devolved" institutions in Northern Ireland, Scotland, Wales, the Isle of Man, and the Channel Islands. The Council will "exchange information, discuss, consult and use best endeavors to reach agreement on cooperation on matters of mutual interest within the competence of the relevant administrations." Suitable issues for discussion are listed as transport links, agriculture, environmental, cultural, health and education issues as well as approaches to EU matters. The Council can agree on common policies and actions, but any individual

participant can opt not to participate in such common policies or actions.

**British-Irish Inter-Governmental Conference.** This new Conference will continue the role of the one established in the 1985 Anglo-Irish Agreement, which is being formally abolished. It will meet sometimes at Summit level (Prime Minister to Taoiseach) and other times at the ministerial level to discuss matters of mutual interest. These include specifically: "nondevolved Northern Ireland matters, on which the Irish Government may put forward views and proposals." It will keep the workings of the new institutions established by the new agreement under review.

**Rights, Safeguards, and Equality of Opportunity.** The incorporation of the European Convention on Human Rights into Northern Ireland law will be completed. A new Northern Ireland Human Rights Commission will be established by British legislation. A new statutory Equality Commission will replace the Fair Employment Commission, Equal Opportunities Commission, Commission for Racial Equality, and Disability Council in Northern Ireland. It would be open to the new Assembly to consider grouping responsibility for these matters into a Department of Equality. The Dublin government will also establish a Human Rights Commission; proceed as quickly as possible to ratify the Council of Europe framework Convention on National Minorities; implement enhanced employment equality legislation; introduce equal status legislation; and "continue to take further active steps to demonstrate its respect for the different traditions in the island of Ireland." A joint committee of the two human rights commissions will be established. A new economic development strategy for Northern Ireland is to be developed by the British government. The importance of respect for and tolerance of the Irish language, Ulster-Scots, "and the languages of the various ethnic communities" is explicitly recognized. The British government is to take "resolute action" to promote the Irish language.

**Decommissioning.** All parties are to "use any influence they may have to achieve the decommissioning of all paramilitary arms within two years following endorsement in referendums North

and South of the agreement and in the context of the implementation of the overall settlement.” Meanwhile, the British government is committed to reducing the numbers and role of the security forces in the North, removing security installations, ending emergency powers and taking other measures to normalize the level of security in society. The Dublin government is to review the Offences Against the State Act with a view to reform and to dispensing with elements of it no longer required.

**Policing, Justice, and Prisoners.** There will be a commission with “expert” and international representation to examine the RUC and make recommendations by the summer of 1999. There will also be a review of the British-administered criminal justice system. Both reports will be reviewed by all parties to the agreement. There is to be accelerated release, on both sides of the border, of paramilitary prisoners belonging to organizations that accept the agreement.

**Referendum.** For the agreement to take effect, it must be approved by majority vote in both of the separate but simultaneous referenda held in the six counties, and 26 counties, on May 22. (See the accompanying box entitled “After the May 22 Referendum.”)

### **The Challenge**

Socialist Republicans in Ireland, and their supporters around the world, face some tough challenges posed by the peace accord. There is no doubt that the masses of both the Unionist and Nationalist communities in the Six Counties are war-weary and desperately want some peace. This sentiment is shared in the Twenty-Six Counties, where the issue of partition no longer stirs great passion and most just want to see The Troubles go away.

The British and U.S. imperialists have skillfully played on this sentiment to craft a peace accord. They hope it will demobilize the Nationalists in the Six Counties; promote the whole of Ireland as a source of docile and cheap labor in a stable capitalist Europe; and bolster the prestige of the New Democrat Clinton and the New Labour Clinton-clone, Tony

Blair. The bourgeois parties in Dublin expect to prosper from the deal as well, eagerly awaiting, as always, for some crumbs to fall from the Big Boy’s table.

### **Intransigent Republicans...**

It would be easy to dismiss the peace accord as another sellout and to brand Gerry Adams as another Michael Collins, as many “orthodox” Republicans are doing.<sup>1</sup>

The splinter group Republican Sinn Féin condemns the accord as legitimizing the partition that Republicans have fought for 77 years, thousands of them giving their lives. They say the new elected Assembly will mean a return to the old hated Stormont parliament, dominated by the Unionists. They argue that the new north-south bodies will be toothless in the face of Unionist veto threats. And they disparage the prisoner release deal as taking two years to implement and then only applying to those who take a humiliating oath renouncing their own movement. For them the solution is very simple. We’ve been fighting the Brits for 800 years — we’ll go another 800 if we have to. Come join us in the *Real IRA* so we can continue business as usual.

The Irish Republican Socialist Party takes a bit more nuanced but every bit as harsh a view. While branding the Sinn Féin leaders as “traitors,” they include an orthodox Marxist analysis to supplement appeals to Republican tradition. They say they are willing for the INLA to continue to refrain from “first strike” armed actions while they campaign for a “no” vote in the referendum on the accord. But they, too, see nothing new.

### **...And Intransigent Loyalists**

It is interesting to note that the intransigent Republicans have a mirror image on the opposite side. The Rev. Dr. Ian Paisley’s Democratic Unionists walked out of the peace talks when Sinn Féin was admitted. They are denouncing official Unionist leader David Trimble as the traitor, believe the agreement is a capitulation to the IRA, that Tony Blair is abandoning the Queen’s subjects in Ulster, and that the north-south bodies are the first step down the road to dis-

solving partition and subjugating Unionists to the rule of the Papists in Dublin. They are joined in this indignation by the tiny UK Unionist Party — which incredibly includes the renegade socialist Dr. Conor Cruise O’Brien — and has links to Loyalist death squads that have not accepted the cease-fire.

In 1974 Paisley and the Loyalists forced the scrapping of a similar peace accord, the Sunningdale Agreement, by organizing crippling strikes and riots. They’ll try to do the same again.

But, despite this inflexibility among some, clearly there *is something new*.

### **A Changed Outlook Among the Masses**

The masses in *all* communities are prepared to “legitimize” partition while developing more formal ties with the Twenty-Six Counties.

Most Nationalists have concluded that neither armed action nor civil disobedience will dislodge the British occupiers in the foreseeable future. And even if the British withdrew their troops, there would still be the problem of how to relate to the Unionist majority in the Six Counties.

The Unionist community has largely come to accept that the IRA is not going to be crushed, that the Nationalists will never meekly accept their second-class status. Not nearly so many of them will follow Paisley this time around.

There is widespread fear that the indecisive violence of The Troubles over the past thirty years could drag on another three decades. There is a longing for accommodation between the Unionist and Nationalist communities on the basis of a fair deal for all. At least it is worth trying, they believe. At least it is better than seemingly endless, senseless killing.

This mass perception may not be very realistic. It may be more wishful thinking than reasoned conviction. Nevertheless this sentiment is real and powerful. Socialist Republicans cannot wish it away or ignore it.

### **Sinn Féin Recognized Changed Mood**

To their credit, the Sinn Féin leadership did not ignore this sea change in both

1. Of course, Michael Collins was no traitor, but a dedicated nationalist faced with a war-weary population and no real way to continue the struggle within the bourgeois nationalist limits of his political program. De Valera sent him to negotiate with the British, knowing full well that he would bring back a compromise that many Republicans would not accept — and in so doing undercut the authority he had won as a leader of the guerrilla struggle against the Black-and-Tans, a struggle which De Valera had opposed. — *Eds.*

Nationalist and Unionist attitudes. They did not abstain from the peace talks. Their absence would have effectively handed Hume's SDLP de facto domination of Nationalist politics. Instead, along with their allies in the IRA, they maintained a cease-fire and used the talks as a forum to promote Republican ideas, while also engaging in real negotiations.

They weren't able to obtain much at the negotiating table. That doesn't reflect on their skills as negotiators. To the contrary, they milked about every concession they could from the scoundrels who were running the show. But their bargaining power — other than the threat of renewed armed action — was limited.

The fact is that there is more than a grain of truth in many of the charges made by RSF and the IRSP about the agreement. It accepts partition. It certainly will not lead to full civil rights or economic equality for Nationalists — much less the democratic socialist republic.

During all the hype around the announcement, the best the SF negotiators could say was that it was a "transitional" agreement. That's certainly true. But transitional to what?

### **How Respond Without Sellout or Adventurism? A Proposed Explanation of Our Position**

How can we respond without either selling out or engaging in disastrous adventurism? That is the question of questions.

I believe we must be honest in our appraisal and explain our position as follows:

We believe the fundamental problems facing us flow from two sources — continuing British occupation of the Six Counties and an economic system that, while fostering discrimination against Catholics in particular, exploits all Irish workers. That's why we will not be satisfied until we reach our goal of a united, democratic, secular, and socialist Ireland.

However, we have never said that any progress has to wait until the socialist revolution. Along the road to that ultimate destination we will support any change that weakens the oppressive grip of our colonial rulers, any reform that improves the conditions of working people.

But our experiences as socialists and Republicans makes us skeptical of both the motives and the abilities of the British, Dublin, and Unionist leaders to realize their promises in the agreement. We

are not optimistic about what the commissions studying the RUC, the courts, and discrimination will produce. We don't put much hope in their economic plans to revive the Six Counties. We doubt that the reforms in the peace accord will advance equality very much. Nor will they bring much relief to the suffering working class. *But we will not be the ones to stand in the way or to stand aside. We will go through this experience with you.*

During the period of The Troubles, Republicans have — out of necessity — largely focused on clashes with Crown Forces and on defending the Nationalist community against Loyalist attacks. This agreement seeks to put an end to Loyalist aggression, to reform and restructure the police, and to reduce the intrusion of British troops in our community life. If this is actually accomplished — and we hope that it is — then we can devote more attention to other issues that have always been of great concern.

Unemployment in the Six Counties is higher than in the rest of Ireland, and is one of the highest rates in Europe. Unemployment for Catholics in the Six Counties is twice as great as among Protestant workers. Catholic workers are concentrated in the lowest-paying jobs. Along with the issue of civil rights, we will also advance our program for economic rights in the new Assembly and in the north-south bodies. If we achieve peace then let's take some of that \$5 billion which London annually spends on military occupation and use it to create suitable jobs for *all* the unemployed, and assure a decent standard of living for *all* workers. We shall see if the British, Dublin, and Unionist political and trade union leaders are willing to cooperate in moving toward these goals.

We will also join with the environmentalists to protect the air and water that are vital to *all*. We will support the feminists pursuing *all* women's rights. And we are willing to find other common causes with the working class in the Unionist community.

We'll use the north-south and east-west bodies to try to build solidarity with the working class in Scotland, Wales, and the Twenty-Six Counties, to come up with a common strategy against the bosses' governments in London and Dublin, and the multinational corporations.

We will do all of these things within the framework of the agreement. But we will do so as critics of the agreement, without ever abandoning our socialist and Republican goals. We don't think we have won a just peace. But, for now, we promise not to make war.

### **A Responsible Approach for Socialist Republicans**

I think that something along these lines is the only responsible approach that socialist Republicans can take at the present. It means a shifting of gears in both programmatic and activity priorities. Less emphasis — but not abandonment — on the national question as a narrow issue of partition. More attention, education, and mass action around economic and social issues — on both sides of the partition.

The bourgeois components of nationalism — Fianna Fáil, Progressive Democrats, and the SDLP — will also be challenged. They are the establishment parties who will be trying to sell a peace without justice to the Irish working class. Major clashes with them are inevitable.

Nor will we find much in common with the pathetic mainstream left — the Labour Party, Democratic Left, and Workers Party. As for the small "Trotskyist" Socialist Party — it completely abstains from the national struggle.

While we don't write off any of the Republicans, and will try to collaborate with all opponents of British imperialism, it is clear that, at least in the short term, the future of the Irish movement is dependent upon Sinn Féin. Though we may have our disagreements with the SF leaders from time to time, they certainly are not traitors. They have hegemony within the Republican movement. They have a program that includes working class issues and the goal of a democratic socialist republic — though this is often downplayed in deference to American fund-raisers. They have a mass base in the Six Counties and are well known of course throughout Ireland. Their leadership has demonstrated they are politically astute and keenly attuned to the mood of the masses.

We should not only offer them advice. They deserve our support and encouragement, too, as they begin their trial in this crucial period. □

*April 15, 1998*

# Russian Labor's Restless Summer

by Renfrey Clarke

*While the business press in the U.S. has been full of news about Russia's "financial crisis" and the terms the IMF is demanding in return for more loans — whose main purpose is really to protect investors — the commercial media have barely mentioned the really important news. And that is the deepening radicalization among Russian workers. The following article was written for the July 21 issue of the Australian paper Green Left Weekly. The author writes from Moscow.*

On Russia's labor scene, July traditionally has been a quiet month. Workers by mid-summer have been ready to set off on holiday, or to spend the warm, twilight evenings relaxing on their garden allotments. True, a holiday away from home has been unaffordable for many workers in recent years, and the hours in the garden are now mostly spent toiling to grow food for the winter and spring, when wages will very likely not materialize. But the lull in industrial protests has remained.

Until 1998, that is. This July, the pace of struggle has failed to slacken. Where the battles of recent months have proved indecisive, workers have gone back on the picket line. And as a steady rise in wage arrears signals that the government has no answers to the country's economic crisis, many labor activists have concluded that only a thorough change of the personnel in power can bring improvements. More and more often, labor activism has become unabashedly political.

### Sound of Miners' Helmets

Setting the nerves of state officials still more on edge is the sound that echoes about Moscow's main federal government office building — the "White House" — every two hours from 8 a.m. to 8 p.m. A loud rhythmic crunching, suggesting an army on the march, it is the noise of more than 200 unpaid miners banging their helmets on the paving stones.

The miners are from almost all the coal districts of Russia, but the largest contingent arrived on June 11 from Vorkuta in the arctic north. They have been camped next to the White House ever since, and will leave, they assure journalists, only when President Boris Yeltsin quits office.

Not even the pro-government press has dared to accuse the picketing miners of being "extremists," out of step with the feelings of their workmates.

As July began, 23,000 miners in Chelyabinsk province in the Urals staged a one-day strike. On July 3, the "railway war," which in May largely paralyzed Russia's transport system as miners blocked vital rail lines, flared up again. Miners and other workers in the Siberian city of Anzhero-Sudzhensk, in the north of the Kuzbass heavy industrial region, moved back onto the tracks.

Undertakings which the government had given in order to end the blockade were not being kept, the miners contended.

### Far East

In the Maritime Region of Russia's far east, the failure of wage payments to appear was bringing society close to breakdown.

Workers in the region's power stations had gone on strike to protest wage debts stretching back as far as six months. Electricity users were enduring blackouts from early morning until after midnight. Public transport was largely at a standstill, and water supplies were only sporadic.

The key responsibility, the strikers argued, lay with the federal government. Large military bases and other government facilities in the region were being starved of funds, and were not paying their electricity bills. At the same time, federal tax officials were seizing funds of the regional power company Dalenergo, even though payments owed to the company by state institutions were reportedly four times Dalenergo's tax debt.

After receiving three weeks of back wages, the power strikers returned to work on July 8. But the crisis did not abate, since the workers refused to increase electricity output from the low levels maintained during the strike by management staff.

Unpaid for even longer than the power workers, defense workers were taking to the streets. On July 8 as many

as 4,000 people rallied in the region's capital, Vladivostok.

Many of the participants were submarine repair workers who had already been picketing government offices in the city for several weeks. According to the Moscow daily *Trud*, the latter workers were threatening not only to block railways, but to seize control of their enterprise and manage it themselves.

### Demand Yeltsin Resign

On the same day defense industry workers held coordinated demonstrations by across Russia. In Moscow, several thousand people picketed Defense Ministry offices before moving on to demonstrate in a square near the Kremlin.

A number carried toy guns, declaring, "Next time we'll come with real ones!" The first point on a resolution adopted by the demonstrators was a demand for Yeltsin to resign.

Putting in an appearance at the Moscow demonstration was Mikhail Shmakov, chairperson of the largest labor organization, the Federation of Independent Trade Unions of Russia. Mistrusted by many unionists as too accommodating to government demands, Shmakov was booed and hissed as he began to speak.

For once, however, Shmakov was promising action. He had just come, he explained, from a conference of union leaders at which a decision had been taken to prepare for a nationwide strike around political demands, in early October. In the past, Shmakov has been quoted as calling for elections for the president and parliament to be held on schedule.

The growing politicization of the labor movement came into still sharper focus on July 9 when a congress of the country's main coal union, the Independent Union of Coal Industry Workers, opened in Moscow. Agreeing to let Deputy Premier Boris Nemtsov address them on behalf of the government, the 300 delegates gave him a noisy recep-

tion. Later, they passed a resolution demanding that Yeltsin immediately resign.

### Money for Wages Disappears

The delegates reacted skeptically to Nemtsov's insistence that the government was handing over money for the coal industry in the quantities agreed. In telegrams presented to the congress, miners had complained that wage payments promised in the agreements that ended the May railway blockades had not come through.

The fact that miners have not been paid does not prove that the government has failed to supply money to pay them. Discussing the finances of the coal industry, delegates at the congress described a thicket of suspicious-looking institutions into which government payments routinely vanished without trace.

Large amounts of money from coal sales organized by more than 700 coal-trading firms were also failing to make their way back to the mines. Delegates told journalists that mine managers were often implicated in the work of these firms. Many of the coal traders are

believed to have links to organized crime.

To arguments that such problems are not the government's fault, coal industry workers have been known to reply: "Since when has enforcing the law been the job of miners?"

In any case, coal unionists are adamant that the responsibility of the government for their plight goes far beyond the failure of the authorities to stop industry funds being stolen. Very often, the coal industry finds itself at the end of chains of non-payments whose first links are in the federal Finance Ministry.

According to the Independent Union of Miners, one of the smaller coal industry unions, federal and local government bodies and state-owned companies accounted for 2.2 billion rubles out of 3.5 billion rubles in wage arrears owed by the coal industry in early May.

### Political Involvement by Labor

Coal miners, along with many other workers, are coming to see the removal of the present regime as vital if the country's working people are simply to survive. The pressures on the trade union movement to involve itself directly in the political process, helping to decide

the question of who exercises power, are mounting steadily.

In the coal industry, the notion of trade unions as non-political organs limited to seeking the economic well-being of their members already belongs to the past. The very distinction between trade unions and political parties is beginning to break down.

Reporting the congress of the Independent Union of Coal Industry Workers, the Moscow daily *Nezavisimaya Gazeta* on July 10 quoted union chairperson Ivan Mokhnachuk as saying it was "not excluded" that the union might amend its charter, turning itself into a political movement campaigning for office. This suggestion, the newspaper commented, "corresponded precisely to the mood of the delegates."

The news agency Itar-Tass reported the same day that the number of picketers blocking the Trans-Siberian Railway in the Kuzbass region had doubled, and that the miners were also threatening to stop traffic on major highways.

All this is happening in July, when workers in past years have been tending their potatoes and cabbages. What will things be like in autumn, when labor struggles have traditionally resumed in earnest? □

## From the Managing Editors

*Continued from Inside Front Cover* crisis — for example, 100,000 South Korean workers took part in a protest strike in mid-July. The economic difficulties in Japan are also deepening, reflected in a recent electoral setback for the ruling party and a near doubling of Communist Party representation in parliament. This represents a protest vote against the faltering capitalist system.

The "Asian crisis" is not just about Asia. It indicates the fragility of the worldwide capitalist system. Some of these economic frailties are described in an article, written last March, by two of our co-thinkers in Spain — "The Asian Crisis and World Financial Instability." We hope this article will help our readers gain a better understanding of this volatile "global economy," whose collapse could threaten the livelihoods of all. Organized labor represents the only force that can create an alternative to this capitalist chaos.

### Struggles for National Liberation

The struggle against national oppression is one form of the working class's struggle for emancipation. A special feature in the present issue is Bill Onasch's discussion of the current situation in Ireland, where working people have been fighting back for 800 years against British conquest and domination.

In Kosovo, the Albanian-speaking majority are resisting genocidal "ethnic cleansing" by Slobodan Milosevic's Serbian chauvinist regime. We reprint an article about this struggle from *Green Left Weekly*, which shows that Western multinational corporations and the Western governments speaking for them are actually siding with Milosevic against the people of Kosovo.

In Mexico, the indigenous people also face genocidal violence by the armed forces of the ruling class. Mexico's Native Americans, led by the Zapatistas, are demanding autonomy and

asserting their rights to land and a decent life. We reprint a report in solidarity with their struggle by rock singer Zach La Rocha, a representative of the Chicano movement in the U.S.

The African American liberation struggle in the United States is also centuries old. The Black Radical Congress, held in Chicago in June, identifies with that tradition of struggle, as shown by the documents we reprint from that congress. In our next issue we hope to have first-hand reports on the BRC by participants.

For now, we wish to take up one aspect of the BRC mentioned in several press reports on that event — its relation to or attitude toward the Nation of Islam (NOI). Many BRC spokespersons one-sidedly dismiss the NOI as only a conservative, patriarchal organization. Joe Auciello argues for a different assessment, one that recognizes *both* aspects, the reactionary and the potentially revolutionary, of this contradictory organization. □

# Prospects for Labor Rights and Real Democracy — After the Suharto Dictatorship

by B. Skanthakumar

*This is an edited version of the author's article written for the July issue of International Viewpoint, monthly publication of the worldwide workers organization Fourth International.*

The Chinese character for "crisis" has two meanings: danger and opportunity. The movement for democracy in Indonesia today is confronted by both. The post-Suharto government represents a new distribution of power among the same old components of the dominant coalition, an alliance of big business and the military. It has not changed the previously existing relations of inequality and injustice, especially for workers and the poor. But the new regime has not yet defeated or coopted the democracy movement, or forced the mass of the people who rebelled in May to retreat into silence.

The announcement of Suharto's resignation on May 21 caused an uncontrollable outpouring of tears and laughter from the students occupying the Parliament complex in Jakarta who had led the struggle against the despised dictator. They rightly celebrated the end of a 32-year era which had lasted longer than their entire lives. For many of them Suharto's removal is the necessary first step toward reviving the crisis-ridden economy and introducing genuine multi-party democracy.

Yet on the streets of the capital and in other major cities and towns the elation was muted, as disappointment mounted over the anointing of heir-apparent B. J. Habibie in Suharto's place, in a transparent bid by the New Order regime to sacrifice Suharto in order to save itself. ("New Order" is the name General Suharto gave his regime after coming to power in a bloody coup that took nearly a million lives in 1965.)

The radical left Peoples Democratic Party (PRD) noted, "The resignation of Suharto is [intended] for minimizing the damage of the people's resistance and curbing the resistance itself."

Pramoedya Ananta Toer, celebrated author of the *Buru Quartet*, which along



Indonesian students confront the police

with his other books remains banned in Indonesia, was jailed in Suharto's prisons for fourteen years. He cautioned, "If the young are satisfied with the resignation of Suharto and their own brief appearance on the political stage, then they are fooling themselves. The objective of the reform movement, I hope, is not simply to reshuffle members of Suharto's 'New Order,' but it is to replace the 'New Order' itself" (*Washington Post*, June 7, 1998).

### Who Is Suharto's Successor, Habibie?

As long as Habibie is in office he will protect his patron, Suharto, and Suharto's relatives (the former "First Family"), from trial for their crimes against the people and embezzlement of Indonesia's wealth. That was part of the deal behind Suharto's resignation, and Habibie knows only too well that if such trials were allowed, he would be next in line for investigation and prosecution.

Habibie, however, had no doubt about the strength of popular feeling and pronounced in his maiden address to the nation that the new rulers "have grasped the people's aspirations for a government which is clean and free of inefficiency, corruption, collusion, and nepotism."

The bare-faced cheek of this man, whose own family enriched themselves enormously throughout the "New Order" era, knows no bounds. The Habibie clan have commercial interests in chemicals, construction, real estate, transport, communications, and more. At the center of their vast holdings is the Timsco Group, a conglomerate controlling more than 80 companies.

What Habibie and ABRI (the Armed Forces; the real power in Indonesia), and others in the regime now hope is that the mass movement and its rallying cry for *reformasi*, or reformation, will lose momentum and fragment, as its unifying objective of the removal of Suharto has been achieved.



## Independent Trade Unions To Be Legalized

Meanwhile the reforming measures announced by the new administration have been too few and not substantial enough. Each can be reversed with little effort. Habibie has released some political prisoners, such as Muchtar Pakpahan of the independent SBSI (Indonesian Prosperity Workers Union) and Sri Bintang Pamungkas of the PUDI (Indonesian United Democratic Party). The SBSI is to be legalized. So, presumably, will other independent trade unions. The International Labour Organisation Convention No. 87 on Freedom of Association has been ratified, though it remains to be translated into domestic law.

The critical news magazines *Editor* and *Tempo* and the tabloid *Detik*, which were banned in 1994, have been unbanned and can now freely circulate again. The Alliance of Independent Journalists (AJI), a free media union, has also been assured recognition.

Many new political parties have been formed. These include parties with roots in the pre-New Order political system which were disbanded or forced to merge into the two state-tolerated opposition parties, the PPP (United Development Party) and the PDI (Indonesian Democratic Party).

Even the ruling GOLKAR party, created by the regime, has announced that its affiliates or factions will be free to form separate parties. Two such splits have already taken place.

Meanwhile, new interest groups which were not directly represented in the old system have also announced their intention to form parties, including an ethnic Chinese Party seeking fair treatment and an end to cultural and political discrimination. The Chinese, mainly Christian minority has been at the receiving end of popular anger against the regime in recent months.

## Pakpahan Call for a "Workers Party"

The freeing of Muchtar Pakpahan represents a victory for international working class solidarity. Trade unions around the world, including the AFL-CIO in the United States, have been campaigning for his release from Suharto's prisons, where he faced the danger of a death

penalty simply for exercising the basic trade union right of organizing workers independently of government or employer control.

But Pakpahan is displaying certain weaknesses as a working class leader, perhaps the result of disorientation after years in jail.

He has proposed a National Workers Party "based on workers, small business people, intellectuals, and progressive NGOs (non-governmental organizations)." And he has invited PDI leader Megawati Sukarnoputri, daughter of Indonesia's first post-independence president Sukarno, to be its chairperson. Megawati in fact represents a section of Indonesia's employing class and is anything but a worker. If she were to become head of the proposed party, its working-class character would be lost and it would not be likely to stand up consistently for the needs of Indonesia's working people.

## Not All Political Prisoners Have Been Freed

The regime is unlikely to release East Timorese leader Xanana Gusmao, PRD Chairperson Budiman Sudjatmiko, and his jailed comrades, West Papuan resistance leader Jacob Rumbiak, or the remaining 200 ex-PKI (Communist Party of Indonesia) prisoners, including 72-year-old Colonel Abdul Latief, jailed 32 years ago. The release of the remaining political prisoners remains a focus for international solidarity campaigns.

There are limits to the new free political competition. The PKI will not be unbanned, it has been announced, and there is no mention of unbanning the PRD. New parties must adhere to the state ideology of Pancasila (consensus and moderation) and respect the 1945 Constitution (imposed by the former Dutch colonial rulers and limiting democracy with strong presidential powers).

Habibie's new Cabinet was a disappointment even to moderate opposition leaders like Amien Rais, who had joined with the military and others in appealing to the pro-democracy movement to give the government a breathing space and the opportunity to fulfil its commitment to reform.

While removing the most obnoxious members of the previous cabinet, such

as Suharto's billionaire chum "Bob" Hasan and daughter "Tutut," Habibie has retained some of the unsavory figures from the past.

For the first time representatives of the other two legal parties the PPP and the PDI (the Suryadi faction, not Megawati supporters) have been drawn into the administration. As have Habibie's acolytes in the Association of Muslim Intellectuals (ICMI). And the usual phalanx from the state-sponsored GOLKAR party and the Armed Forces (ABRI).

The key figures in the new cabinet are Defense Minister and ABRI Commander-in-Chief General Wiranto, and Coordinating Minister for Finance and the Economy, Ginanjar Kartasasmita. Apparently feelers were put out to some opposition figures, notably Amien Rais, to join the Cabinet, but the latter recognized that this would in effect co-opt and compromise him and intelligently refused.

## Elections Promised for 1999

Habibie hasn't had it all his way. He began by stating that he would complete his predecessor's term in office. In other words that the first free elections would not be before 2003. Quite soon he realized the depth of feeling against him and was forced to backtrack. The present timetable promises general elections to the Indonesian parliament, the People's Consultative Assembly (MPR), by the middle of 1999, which will then convene between November 1999 and January 2000 and elect a new president and vice-president, as specified by Suharto's Constitution.

Habibie has also promised a limit of two five-year terms for the office of president. Suharto was "reelected" this March for his seventh consecutive presidential term, and he assured the compliant parliament which reelected him that, "God willing," he would see them again in 2003! (More than half the parliament were the direct appointees of dictator Suharto.)

For many people, the promised transition period is too long. The longer Habibie and his crew are in office, the more difficult it will be to remove them!

Under Habibie's plan, the presidency will remain the most powerful branch of government, and will not be directly elected by the people. The 1945 Constitution and the office of the president

were imposed by President Sukarno to strengthen himself and weaken competing centers of power. Under Suharto the dictatorial features of this system became stronger. If liberal democratic reforms were to be made, the presidential office would be weakened, the legislature strengthened, and safeguards for judicial independence would be established, along with direct election by universal suffrage for the office of president.

### A "Caretaker" Government?

In a period when the present government lacks legitimacy and is perceived as hostage to Suharto's clique and the military, many doubt its sincerity and ability to prepare the country for the transition from dictatorship to democracy. There is talk of replacing the Habibie administration with a "caretaker" government which will be charged with overseeing general elections in 1999 and running the country until then.

Emil Salim, a recent anti-Suharto convert and formerly Suharto's "minister for the environment," has supported the idea of summoning an extraordinary session of the MPR, which would have the authority to nominate individuals to form such an interim administration. Needless to say, the MPR is packed with Suharto's appointees and those who have benefited the most from his regime.

Bypassing the MPR altogether, but with even more frightening consequences, is the proposal by a "left-wing" academic and former student activist, Arief Budiman. Budiman calls for a Presidium drawn from the military, the technocracy, and civilians (in that order). The presence of the military "is needed to guard political stability"; economists and technocrats "respected by international financial institutions" must be present "to restore the confidence of our businessmen"; and civilians from the reform movement, too, who "showed their skill in leading and gaining trust from the masses" (quoted in the publication *SiaR*, May 25, 1998).

Budiman makes no mention of any form of participation in the Presidium by the working class, the peasantry, and the urban poor — the overwhelming majority of the Indonesian people. Thus an unelected, undemocratic, unaccountable, and unrepresentative body would

be charged with preparing for free elections when "everything is in order." An indeterminate moment left to the benevolence of the Presidium or its most powerful actors.

### PRD Calls for "People's Councils"

The outlawed People's Democratic Party has condemned the elitist nature of this proposed institution, calling instead for a Council which would work "based on aspirations from below" (see the text of the PRD statement in the June issue of *International Viewpoint*). Democracy, PRD leaders reminded Budiman, "depends on the system, not on the individuals, nor does it depend on the personnel who will lead the government. A democratic system can lead an authoritarian person to bow before democratic norms. While an authoritarian system can allow opportunities for a democratic leader to deviate and become an autocrat" (PRD statement, May 27, 1998).

The PRD has recommended instead that an Independent People's Council be formed. It would be based on People's Councils established all the way from the village, campus, and workplace level, through the regional level, and up to the national level. Such a body would be far more representative of Indonesian society and its ideologies and aspirations and better able to lead the transitional process.

### Divided Attitudes Toward IMF

The pro-democracy movement is also divided in its analysis of the International Monetary Fund (IMF) "bailout" of the economy.

[Before Suharto's resignation, incidentally, the AFL-CIO in the United States had opposed a bill in Congress backed by the Clinton administration that would have given the IMF \$18 billion toward bailing out the anti-trade union Suharto dictatorship. Whether the AFL-CIO attitude on this question has changed now that Suharto has been replaced by a mini-Suharto named Habibie remains to be seen. — *Eds.*]

The IMF has a rigid set of neo-classical textbook prescriptions it applies whenever it intervenes in a country, regardless of the specificities of that country's economy or of external (world market) considerations. Among

these prescriptions are deflationary budgets, including slashing of subsidies and social spending, high interest rates, dismantling of state monopolies, removal of exchange controls and price ceilings, ease of entry (and exit) for foreign investment capital, and privatization.

In October 1997 the Indonesian government entered into discussions with the IMF for loans to salvage the sinking economy. The IMF's conditions would have forced the Suharto regime to dismantle its *dirigiste* (government-regulated) economy, threatening the vested interests of those who have profited from the "New Order" economy, including Suharto's own family and close friends.

Most Indonesians were unaware of the precise details of the confrontations between Suharto and the IMF, as the international bankers tried to impose their discipline on the economy and the old dictator squirmed his way out of it. As a result, many Indonesians concluded that, since the IMF was openly contemptuous of Suharto's economic policies, it must be an opponent of Suharto, who was an opponent of the pro-democracy movement. According to the theory that "my enemy's enemy is my friend," this made the IMF into an ally for the popular movement. Or so they thought.

With Suharto above control and censure from the people, and with the pro-democracy movement numerically weak, politically fragmented, and ranged against the repressive armory of the state, many oppositionists thought that only an external agency like the IMF would have the power to remove Suharto or at least pave the way for his removal. Few worried that these international financial institutions, these newfound "friends of the people," had spent the previous thirty-two years financing and enriching Suharto, his family, and his cronies and collaborating in the "New Order" regime's repression and brutality against the people.

Some oppositionists argued that the implementation of IMF conditions would loosen, if not sever, the grip of crony capitalists over the economy. Goenawan Mohamad, editor of *Tempo* and longtime thorn in the side of the regime, admitted that the effects of the IMF's "structural adjustment" package

would be painful for the poor, but argued that "from the hardship it entails, the people will have a better argument to urgently demand more symmetry of sacrifice from the powers that be. In short, the IMF deal is a sad, if not 'evil' necessity" (*Jakarta Post*, January 25, 1998). He gave little evidence that the regime could be compelled to "sacrifice" along with its subjects, or be compelled to clean up its act when it could so easily pass on those costs to the people, or indeed why the poor should make sacrifices to solve an economic crisis caused by the mismanagement and greed of the ruling class!

Now that Suharto has finally gone, middle class elements still advocate the embrace of the IMF plan, theorizing naively that economic liberalization and political liberalization are as inseparable as Siamese twins: a "free market" economy supposedly providing the best condition for a plural, competitive electoral system. Never mind that the IMF plan, supposedly designed to relieve Indonesia's debt burden, will actually increase that burden by a further US\$43 billion!

Latin American and recent Asian experience shows, beyond any shadow of a doubt, that it is the working class, the peasantry, and the poor — and not the capitalist class — which bear the burden of debt when IMF loans come in and the cost of servicing that debt. The IMF will be bailing out international banks and the Indonesian rich, not the Indonesian people.

### **East Timor**

While many in the pro-democracy movement were pressing for Habibie's immediate resignation, some East Timorese activists disagreed. They argued that a weak leader in Jakarta, eager to gain some international support, might concede to a referendum on self-determination — even if the timetable stretched to ten years. These hopes have been shattered in recent weeks as Habibie confirmed that all he will offer is "special status" for East Timor, meaning official sanction for customary laws but no real autonomy. Habibie even made the ridiculous proposal to free FRETILIN leader Xanana Gusmao in exchange for international recognition of Indonesia's claim to East Timor, which it has illegally occupied since 1975.

Gusmao himself has repeatedly said that his liberty is secondary to that of the Maubere people (the people of East Timor). While there could be negotiation over the duration of the transition from colonial outpost to independent statehood, a referendum on self-determination is non-negotiable, the resistance insists. The struggle for East Timorese independence and the struggle for democratization and social transformation in Indonesia is an indivisible, dual struggle.

The victories of the pro-democracy movement across Indonesia have obviously inspired the East Timorese people too. In their capital, Dili, there have been daily protests, demonstrations, and speak-outs calling for an end to Indonesian rule, for a referendum and the freedom of their political prisoners. There is a new optimism and courage as banners are openly unfurled with pro-independence slogans and as people take to the streets protesting the killing of an unarmed boy by the trigger-happy military, a risk they would not have taken just a few short weeks ago.

### **Strikes and Protests Continue**

In small towns across Indonesia there are daily protests, occupations, and strikes. Issues range from specific demands like the removal and investigation of corrupt and nepotistic local officials, to protests against rising food prices and unemployment, demands for higher wages and free unions and for further reforms from the Habibie government.

In the second largest industrial city, Surabaya, there have been clashes between workers and the police, and a bitter strike by dockworkers. In Jakarta, employees of the state airlines, Garuda, have taken to the streets demanding an investigation of corruption within their company. Everywhere there is a ferment of debate and activity as people pore over the latest revelations of the extent of the Suharto family wealth in the newspapers and magazines, and as more searching questions are asked about the meaning of these new times: their parameters, limitations, and vulnerabilities.

Within the pro-democracy movement a differentiation is taking place as pillars of the old regime regroup with the ascendant personalities of the pro-democracy movement. None of the new

currents are internally homogenous, but it is possible to say that there are broadly two tendencies within the pro-democracy camp (excluding the so-called liberals who were until recently supporters of Suharto and retain roots in and loyalties to different constituents of the New Order regime.)

### **Moderates and Militants in the Opposition**

There is a "moderate" opposition, which believes in "constructive engagement" with the Habibie government, which supports the revision rather than repeal of the five repressive laws of 1985, which hasn't been vocal in demanding the release of political prisoners, and which is more willing to give Habibie the opportunity to implement his program. This moderate opposition would be content with an accommodation with the "New Order" regime rather than its overthrow.

Where Megawati Sukarnoputri, leader of the PDI and inheritor of her father Sukarno's populist mantle, places herself remains to be seen. She has yet to formally commit herself to anything beyond an alliance with Abdurrahman Wahid's Nahdlatul Ulama, Indonesia's largest Muslim organization. Yet she commands the support and affection of the masses, as witnessed in the unexpected size of the crowds at recent commemorations of Sukarno's death.

There is also a "militant" opposition, including many students, progressive NGOs, Muchtar Pakpahan's SBSI, and the still-banned PRD. These currents favor an earlier timetable for elections, the trial of Suharto, his family and cronies, and release of all remaining political prisoners. Their goal can be summed up in the slogan "total reformation" popularized by the PRD.

### **Pakpahan Cites Example of Solidarnosc**

Muchtar Pakpahan cites Lech Walesa and Solidarnosc in Poland as his role models in the struggle for free trade unions and believes that a Western European system of industrial relations, with tripartite mechanisms linking employers, workers, and government would be best for Indonesia. A brave and honorable man, he nevertheless swears allegiance to Pancasila principles and the 1945 Constitution.

It is difficult to see which way workers and students will develop politically. But the prevailing ideological climate,

and the generational absence of left-wing politics and movements, suggest that though people are radicalized

against the regime, the evolution of an anti-capitalist consciousness is still ahead. Those like the PRD who are trying to build a left alternative face a massive, uphill struggle. □

## Frank Lovell: A Long Life Devoted to Labor and Socialism

*Continued from page 1*

scholars, intellectuals, students, and others. They also ran openly socialist electoral campaigns — such as Frank's campaigns for governor of Michigan on the SWP ticket in 1954, 1958, and 1964.

In 1953, Frank was the Socialist Workers candidate for mayor of Detroit. "We ran a good campaign," one participant, Al Hansen, recalled, "with lots of publicity: TV, radio, newspapers — all the media picked us up. We were news; we were the reds campaigning for office at the height of the witch-hunt."

The Detroit Police Department's "Red Squad" kept a fat file on the Lovells, which was later secured by Sarah Lovell through the Red Squad Notification and Distribution Compliance Program. Obtaining the file became possible because of the changed public mood after Watergate that also produced the Freedom of Information Act.

Revulsion against government abuses likewise made it possible for the SWP to successfully sue the U.S. government for illegal harassment and infiltration by FBI informers. See *Cointelpro: The FBI's Secret War on Political Freedom* (New York, 1975) and *FBI on Trial...the Socialist Workers Party Suit Against Government Spying* (New York, 1988). Frank and Sarah Lovell were typical of the 1930s cadre of the SWP, highly principled and committed socialists who persisted tirelessly in their life's work despite the illegal harassment by the government.

In the late 1960s the Lovells moved to New York City, where Frank served as the Socialist Workers Party's trade union director. He consulted with and advised union activists all over the country and wrote the regular labor column for *The Militant*.

In the early 1980s, in an irony of history, Frank and Sarah Lovell, and hundreds of other loyal Trotskyists, were expelled from the SWP when the group was taken over by newer leaders intent on replacing the historic Trotskyist program with a closer alignment to the ori-

entation of Fidel Castro's Cuban Communist Party.

In December 1983, after he was expelled from the SWP, Frank initiated publication of *BIDOM* and served as first editor of the magazine. He remained on its Editorial Board until his death. (Before her death, in 1994, Sarah Lovell had played a central role as the magazine's business manager and chief copy editor.)

In writing for *BIDOM*, Frank continued the kind of astute coverage of the labor movement that was his hallmark in writing for *The Militant*. In particular, he called attention in early 1991 to the role of Teamsters for a Democratic Union and the growing strength of the reform movement in the Teamsters that led to Ron Carey's election as president in December 1991. He also took note of the significant changes in the AFL-CIO with the election of Sweeney, Trumka, and Chavez-Thompson in 1995. One of Frank's last articles was a report on the September 1997 AFL-CIO convention, one of many he had attended.

As readers who followed his contributions will know, Frank had high hopes for the future of the Labor Party founded in Cleveland, Ohio, in 1996. From the outset, from 1991 on, he participated in the predecessor organization of the labor party, Labor Party Advocates. He was active in the New York Metro chapter of the organization and had a high regard for the strategic thinking and accomplishments of the Labor Party leadership.

Pamphlets written by Frank Lovell include *The Job Crisis, A New Challenge for Labor* (New York, 1975) and *Year of Decision for U.S. Labor — The Hormel Strike and Beyond* (New York, 1986).

In his last years he put much thought into the question of the decline of the SWP and of the radical movement in general. His thinking on this subject was reflected in his forty-page essay "The Meaning of the Struggle Inside the Socialist Workers Party" (1992), as well

as in more recent articles on the history of American Trotskyism and the impact of World War II on the entire social landscape, including the labor and radical movements (see especially "The Cataclysm: World War II and the History of American Trotskyism," in the September-October 1997 issue of *BIDOM*).

Like his friend the late Marxist economist Ernest Mandel, Frank Lovell believed that, because of the great weight of U.S. capitalism in the world and, correspondingly, the tremendous revolutionary potential of the working class in this country, it was especially important to keep Marxist ideas alive within the American labor movement and to preserve an organized commitment to the socialist vision.

Frank remained unwaveringly true to his socialist ideals. In his final years he worked effectively to secure financial support for the Ernest Mandel Institute in Brussels, Belgium, and just before his death, worked with friends in Mexico to establish an administrative body to maintain the Leon Trotsky Museum at Coyoacán in Mexico City.

He is survived by his dear companion, Miriam Braverman, of Manhattan; his beloved daughter, Joan Lovell, and son-in-law, Mark Weiss, of Detroit, Michigan; his sisters-in-law, Mollie Kerchner, of Delray, Florida, and Josephine Lovell, of Tustin, California; and his longtime friend and comrade, Dorothea Breitman, also of Manhattan.

He will be warmly remembered by the many people whose lives he touched with his generous spirit.

A memorial meeting is planned at the Tamiment Labor Library, New York University, Sunday, September 20, 1998.

We are planning a special issue of *BIDOM* with memorial tributes and reminiscences of Frank, as well as reprints of some of his writings. We expect this will go out to readers by the end of the year. □

# How the End Came for Suharto

by B. Skanthakumar

*The following review of events leading up to and culminating in Suharto's resignation as president of Indonesia was written for the July issue of International Viewpoint.*

“**G**one, at last,” declared *The Economist* magazine on Suharto's May 21 resignation. How quick the Western press and Western governments were in jumping on the anti-Suharto bandwagon in his final days. They quietly forgot the support and encouragement they had given him in his murderous ascent to power, his dictatorial rule, his embezzlement of the nation's wealth, and his genocide of the East Timorese (with arms supplied by Western governments). He was an embarrassment now. A relic from Cold War years. A reminder of the gulf between their democratic rhetoric and their anti-democratic record. Suharto had outlived his usefulness.

What we have witnessed with Suharto's ouster is the latest stage in the unravelling of a series of alliances on which Suharto's “New Order” regime was based. This was accelerated by the Asian financial crisis and by a mass movement that had been growing and becoming increasingly vibrant in the last few years.

### **Background in the Asian Crisis**

The currency crisis in Asia began with the devaluation of the Thai baht and the collapse of Thailand's real estate sector in July 1997. The domino effect this had on neighboring economies soon drove the Indonesian government to seek financial support from the International Monetary Fund (IMF).

The run on the Indonesian rupiah, which lost 80 percent of its original value within ten months, reflected concerns over the level of corporate and private debt estimated at US\$80 billion. Most of the debt was owed by just 50 individuals and their holding companies. Bad loans were made by the private banks owned by a number of these individuals — loans which they made to themselves. This was on top of the Indo-



Suharto announcing his resignation

nesian government debt, believed to be around US\$60 billion. It is estimated that 24 percent of export earnings, or US\$8 billion, will go to debt-servicing payments in 1998 alone. More, if the IMF has its way.

### **The IMF Steps In**

The Indonesian government invited the intervention of the IMF. For its part, the IMF seized this opportunity to restore its credibility in financial circles, which had been unimpressed by its earlier packages for South Korea and Thailand. It couldn't let one of the “success stories” of capitalism collapse when it had so recently lauded Indonesia for its 7–8 percent annual growth rates.

In October 1997 a US\$43 billion deal was agreed to, including bilateral loans from the United States, Japan, Malaysia, Singapore, and Australia, in return for structural reforms to the economy. These included the dismantling of private and state monopolies in wheat and soy beans, abolition of the price ceiling on cement, lowering of tariffs on chemicals and steel, and abolition of the local

content rule for cars assembled in the country. All this was to be done by the year 2000. Sixteen banks owned by the “First Family” (Suharto's relatives) and Suharto cronies, which had incurred heavy debts, were closed down.

As the rupiah continued its free fall, middle class people started exchanging the rupiah for U.S. dollars and other stable currencies. The government's response was an advertising campaign using giant billboards reading “I Love the Rupiah.” Suharto's eldest daughter, the politically ambitious “Tutut” was filmed exchanging US\$50,000 for rupiahs. Small change for the billionaire and a small drop in the ocean for the currency markets. The campaign was a flop.

### **Suharto Regime Backtracks on IMF Agreement**

Meanwhile, there was backtracking on the IMF conditions as the individuals who saw their interests threatened fought back with the main weapon at their disposal: access to President Suharto. All of the IMF measures were a direct challenge to the dominance of companies owned by Suharto family members and their cronies. Loopholes in the IMF agreement included Suharto's son's monopoly in the clove industry (crucial for the country's ubiquitous kretek clove cigarettes) and the incredibly expensive national aircraft project led by B.J. Habibie (Suharto's former minister who has now taken his place).

The IMF agreement also allowed the continuation of the secretive Yayasanans (Foundations), which are managed by the Suharto family and their friends and which have been an investment and capital-mobilizing vehicle for them. Within weeks some of the extravagant mega-projects that had been dropped were reinitiated and Suharto's son, Bambang, whose bank had been closed down, was issued another license to open a new bank.

It was humiliating for Suharto to seek a financial intervention from the IMF. He had prided himself on his image as Bapak Pembangunan (“Father of Development”).

Political order and stability enforced by authoritarian rule was the key ingredient to Indonesia's economic success, according to Suharto. The country had enjoyed average annual growth rates of 7–8 percent, and annual inflows of bil-

lions of dollars in aid and loans. The country's attractiveness as a site for investment by transnational corporations had been one of the legitimizing ideological tools of this repressive regime.

### **New IMF Agreement, January 1998**

Although Suharto played for time, he was obliged to sign a second agreement with the IMF in January 1998, reaffirming the original conditions. But the ink was barely dry when Suharto proposed to set up a currency board to restore stability to the rupiah by pegging it to the U.S. dollar. This attempt to interfere with the unfettered right of currency speculators to make their fortunes was greeted with consternation in Western capitals and by international financial institutions, which promptly suspended loan disbursements. The markets got the message, and share prices on the Jakarta Stock Exchange and the value of the rupiah tumbled even further.

By March, on the eve of his "re-election," Suharto had been forced to retreat from this idea. A new round of negotiations began with the IMF, and in April the government appeared reconciled to the original package with one proviso, that food and fuel subsidies be phased out instead of eliminated immediately. This announcement in early May was to trigger a round of urban riots.

The IMF plan represented a qualitative victory for the liberalizers who favored greater deregulation of the economy, undoing the patron-client networks which characterize the relationship between the state and certain capitalists and speeding up Indonesia's integration into the world market, on extremely unfavorable terms for Indonesia.

It was a defeat for economic nationalists, enamored of the East Asian model of development with its emphasis on strategic heavy industry, the nurturing of a domestic capitalist class shielded from foreign competition, overt state intervention and regulation, and export-oriented industrialization.

### **Chinese and Native Capitalists**

At the beginning of the New Order regime, Indonesia had no significant national or more specifically indigenous (pribumi) capitalist class. The small

Chinese community was dominant in the retail and mercantile sector, drawing on their access to the credit networks of other overseas Chinese. Thus the Indonesian government had to take the lead in investment and corporate ownership. During the 1970s massive revenues from oil exports helped finance aggressive growth in the state sector, and its diversification into a range of related industries. The mechanisms for this strategy were state corporations and the allocation of trading licenses, import and production quotas, bank credit, state contracts, and forestry concessions. Acquisition of these "rents," which were controlled by politico-bureaucrats, became the route to instant fortunes.

The primary beneficiaries were members of the Suharto family and relatives of other leading civilian and military politicians. And a number of Sino-Indonesian conglomerates, which provided the technical skills and marketing know-how in joint ventures with these individuals and military-owned business groups. This last category is composed of companies nationalized by Suharto's predecessor, Sukarno, and managed by the military with serving or retired military officials as directors. These companies enjoyed preferential access to forestry exploitation licenses and contracts for supply to the armed forces and some government departments.

One illustration of the way this system works is that of the Bogosari company, which is the country's only flour milling business. It received its exclusive license in 1969 from Bulog, the State Procurement Agency, which is also the sole importer of wheat. Bogosari is jointly owned by the government, by Liem Soei Liong (a Sino-Indonesian who is the country's richest man), and Suharto's step-brother Sudwikatmono. By 1995, Bogosari was estimated to control 75% of the noodles market, 33 % of milk, and 20% of baby food. It also received an estimated 30% of the value of all flour sales.

Excluded from such cosy arrangements were two other fractions of the capitalist class. Some big pribumi capitalists don't have ties of kinship or friendship with the top politico-bureaucrats and thus are deprived of the same access to rents and state revenues enjoyed by Suharto family members or

by such Sino-Indonesians as Sudono Salim (Liem Sioe Liong), Muhammad "Bob" Hasan (Thee Kian Seng), and Prayogo Pangestu (Phang Djun Phen).

Another frustrated group is made up of small business, the petty bourgeoisie prominent in local and regional economies. This group consists of both pribumi and Sino-Indonesians, but the indigenous wing resents the conglomerates for muscling in on its sectors and is notoriously anti-Chinese.

These groups, while politically estranged from the Suharto regime, have also benefited from aspects of state policy. Thus state banks were instructed from the early 1970s on to supply credit only to businesses where pribumis had at least 50 percent equity, excluding Chinese conglomerates, and to offer concessionary credit on preferential terms to pribumi rural traders and small farmers.

Although pribumi big business shares with the Sino-Indonesian conglomerates the advantages of protection of domestic markets from foreign capital, it was unable to benefit fully from the deregulation bonanza in the 1980s because of the privileged access to these sectors by the former First Family and by certain Sino-Indonesians.

By 1997, significant sections of the capitalist class had grown tired of the old regime and more favorable to its reform.

### **Western Capital Buying Up Asian Firms**

The current economic crisis presents a tremendous opportunity for Western transnational capital, especially banks and investment houses to buy up Southeast Asian banks and companies at bargain prices. In the first four months of 1998 alone there were more leveraged buyouts in the region than in all of 1997.

It also represents an ideological triumph for the neo-classical growth model favored by international financial institutions over an alternative statist model of capital accumulation. This eradication of any alternative to neoliberal capitalism is an even grimmer prospect for the people of the region.

### **A New Industrial Working Class**

In the 1980s, faced with falling oil revenues and a rapidly rising young population, there was a shift to industries not based on oil or petroleum products. This

took the form of export-oriented industrialization in low value added sectors, such as textiles, garments, footwear, and electronics assembly. This expansion was based on low-waged labor, low-valued currency, and a labor force which (where organized) was disciplined by the "yellow" state-sponsored FSPSI (Federation of All Indonesia Workers' Unions) and the military authorities.

One of the most noticeable developments of the 1990s has been the emergence of a new industrial working class based in those sectors and concentrated in three areas, Jabotabek (Jakarta-Bogor-Tangerang-Bekasi) in West Java, Surabaya-Malang-Mojokerto-Gresik in East Java, and around Medan in North Sumatra. By 1990 an estimated 8.2 million people were directly employed in manufacturing, representing 11.6 percent of the total labor force. This includes an estimated 3.6 million women in waged factory and enterprise work.

The militancy of this new proletariat has been a positive feature of the 1990s, as evidenced by the 1994 Medan strike, which led to the arrest of leaders of the independent SBSI (Indonesia Prosperity Labor Union), including Muchtar Pakpahan. There has also been a steady increase in recorded strikes — from 365 in 1995 to 901 in 1996 in spite of the threats by state and employers.

At the same time there has been a rapid growth in the urban population. Much of this urban labor force are daily wage workers or casual workers dependent on the boom economy and feeder industries and services to the manufacturing sector. They have been badly hit by the downturn and many may have returned to their home villages, placing a further strain on food reserves there. In the construction sector alone, 2.8 million will lose jobs as 70 percent of industry grinds to a halt. New unemployment projections range from 18 to 30 million in a total labor force of 90 million.

### **Workers Protest Government-Controlled Unions**

In the face of this real fear of job losses and the spiralling cost of living, many workers are enraged at the FSPSI's continued pro-government, pro-employer line. In early May there was a demonstration outside the FSPSI offices in Jakarta protesting the union leadership's

support for the government's decision to freeze the minimum wage. As every worker knows, this minimum wage is already well below the subsistence level and is barely respected by employers. The workers demanded a 20 percent increase in the minimum wage, the resignation of the FSPSI leadership, and lower prices for commodities.

One activist declared: "Workers have no one to fight for them, because the government has been on the side of employers. Those who have no commitment to improving worker's welfare should leave this labor organization" (*Jakarta Post*, May 5, 1998).

### **"Let Them Eat Rabbit"**

In the first few months of 1998 food riots spread all over Indonesia, in Java and Sumatra but also on the "outer islands" of Sulawesi, Lombok, Sumbawa, and Flores. The grievance everywhere was the same: that the spiralling price of staples like rice, cooking oil, flour, sugar, and soy beans was making it unaffordable to all but the very rich. Some months later "Tutut" on a walk-about was confronted by complaints from hawkers of cooked food over the cost of chicken and was quoted as saying if they couldn't afford chicken, they should eat rabbit.

### **Anti-Chinese Racism Used to Divert Popular Anger**

A target of popular anger became the Chinese minority, who number only 3 percent of the population but who dominate retail trade, even in small towns, and who collectively are estimated to control 70 percent of corporate wealth in Indonesia. The Chinese small traders were unfairly lumped together with the few but visible Sino-Indonesians who have made fortunes through their close association with Suharto and the "First Family" by monopolizing the sale of basic goods and exploiting the natural resources of the country.

In the 1980s many Sino-Indonesians entered into joint venture partnerships with Western and East Asian companies or became their subcontractors. As employers, too, they became identified with the state when they called in the military to take action against workers for demanding payment of the minimum wage, for better working conditions, and the right to form free trade unions.

In recent riots not only were the cars, shops, and homes of Chinese burned, but during the violence last year 55 churches were attacked or burned to the ground, often at the instigation of Muslim fundamentalist groups. (Sino-Indonesians are predominantly Christian.)

Despite their economic clout and relative affluence, the Chinese minority are discriminated against politically and culturally. There is an unofficial ban on their employment in government and the military, so that many enter into business or self-employment instead. The formal teaching of Chinese languages is prohibited, as is the display of Chinese characters and formation of cultural associations.

Most Sino-Indonesians have adopted Indonesian names to signify their identification with Indonesia and protect themselves from state harassment. But they have remained a useful scapegoat for the economic crisis. In recent riots, the military has encouraged violence against the Chinese to defuse and deflect anger against the regime. On a number of occasions, soldiers have kept away from mobs or stood by and watched as they looted and burned.

### **Student Protests Trigger Mass Movement**

Student protests reached a crescendo in the run-up to and after the March session of parliament, which confirmed Suharto's "re-election" to a seventh term as president.

The student protests were tolerated by the armed forces so long as they took place on university campuses isolated from the streets and communities where the common people live and work. However, even this limited space was seized upon by the students. In recent years the campuses have been heavily policed, with informers reporting the activities of student radicals to the authorities.

The campuses were transformed into free speech forums, addressed by prominent oppositionists. The groups directing the protests were ad hoc coalitions independent of political affiliation, although they included activists from student and reform organizations — like PIJAR and ALDERA, as well as the underground People's Democratic Party (PRD).

While often campus or area specific, student protest groups were in close communication with others throughout the country, using the Internet and mobile telephones, exchanging information, monitoring developments, and coordinating actions. Citywide forums were set up where delegates from all the local universities and colleges would meet daily to assess the day and plan ahead. Sympathetic journalists trained students to deal with the media, prepare press releases, and produce campus literature.

The identification of students with academic institutions rather than with party-political affiliations was symbolized by their wearing of brightly colored university jackets usually reserved for formal occasions.

Before March the students' demands were for reductions in food prices and stability for the rupiah, a change of the cabinet, and a new president. There was condemnation of anti-Chinese violence in the food riots that had swept the country and warnings that the regime was manipulating the poor by deflecting their anger away from the system and towards the Chinese and Christian minorities.

Over the last decade, students — many of whom come from rural backgrounds — have been involved in building alliances between students and peasants and in recent years between students and the new working class. Some urban middle class students were drawn to activism, fearing that the jobs they expected after graduation would not be there. Many others became active because they felt the pains of the peasantry and the poor, and recognized their responsibility to articulate the people's grievances.

In May, several meetings were held between student and workers representatives at various campuses to formalize alliances. The movement spread and grew, throwing up new slogans and demands, using public meetings, demonstrations, street theater, and occupations of government buildings to spread their ideas. Vans of food prepared by middle class households or donated by businesses made trips to the campuses, distributing food to those within. Between May 14 and May 20, students occupied a television station in Padang and radio stations in Malang, Surabaya, and Semarang, using them to broadcast their ideas.

The focus in Jakarta became the occupation of the Parliament building, sparking off similar occupations of regional assemblies and governor's offices outside of Jakarta. Banners with anti-Suharto and pro-democracy slogans were displayed, and effigies and images of the dictator were burned with impunity — something unthinkable just a few weeks earlier. In Indonesia, insulting the President is an imprisonable offence!

### **Student Illusions in the Establishment**

The students appealed to the impotent legislators to "heed the wishes of the people." They called on legislators appointed by Suharto, in an assembly created by Suharto to throw out Suharto!

Hardly surprising. People do not discard old institutions when new ones haven't been created or cannot even be envisioned. The masses invested the country's old institutions with all their new-found hopes and energies, striving for the political system to reinvent itself, believing that what was impotent could now become all-powerful.

The movement had no charismatic leader, no single spokesperson. It was led by anonymous collectives of local leaders. Yet, having provided the lead, it now itself wanted to be led. It yearned for a personality recognized by the masses and of sufficient authority to mediate with the regime.

Megawati Sukarnoputri, leader of the Indonesian Democratic Party (PDI), daughter of Indonesia's first president, Sukarno, and inheritor of his secular nationalist-populist mantle, could have become the movement's icon. But she lacked the courage and the imagination to confront the military and take the attendant risk. Fearful of provoking the military and losing favor with them, she preferred to remain on the sidelines, waiting for the inevitable denouement. Then, she supposed, she could gracefully, and perhaps even with the blessings of ABRI, accept the nomination for the presidency thrust upon her — beloved leader of the poor and forgiving friend to the rich.

With Megawati refusing to step forward, the spotlight settled on the relatively obscure figure of Amien Rais. His Muhammadiyah organization has 28 million members and represents the

modernist wing of Indonesian Islam. Rais has a checkered past and was closely associated with Habibie's political vehicle, the Association of Muslim Intellectuals (ICMI). A favorite of the U.S. embassy, Rais has clear lines of communication to high-ranking officers in the military. Thus many believed him when he called off an anticipated demonstration of one million in central Jakarta's Merdeka Square on May 20, relaying a warning he had received from a military source that another Tiananmen Square (referring to the massacre of Chinese students in June 1989) was in preparation.

The city center was surrendered to the military, who watched nervously over deserted streets. Meanwhile, busloads of students proceeded to the Parliament complex, gathering on its roof and steps and joining those in occupation inside. Outside Jakarta there were massive demonstrations in Yogyakarta, Surabaya, Bogor, Bandung, Solo (all in Java), and Ujung Pandang (in Sulawesi). May 20 has been celebrated annually as National Awakening Day, marking the birth of the anti-colonial movement against the Dutch. From 1998 onwards the day will have renewed and added significance.

### **Ambivalence Toward Military**

Students displayed a disturbing ambivalence toward the military, reflecting the recent, immature politicization of the movement, and their naivete. Older activists were not numerous or influential enough to correct the students' impression that the military could be persuaded not to support the regime through appeals to their conscience, morality, and the 1945 Constitution.

In imitation of the anti-Vietnam war movement in the United States, students placed flowers in the barrels of soldiers' guns and tried to fraternize with them and win them over to the pro-democracy cause. Echoing the student protests between 1973-74 and 1978-79, the refrain to the army was "return to the people," calling on them not to repress the protests and to throw in their lot with the pro-democracy camp instead.

In fact, the Indonesian military is part of the regime, parent in its conception and midwife at its birth. The students' illusions reflect the tenacious hold of the doctrine of *dwifungsi*, or dual function



(introduced by Sukarno), which institutionalizes a role for the military in civilian life.

Even those prepared to break with Suharto have yet to fully conceive of a rupture with Suhartoism. Many felt that they needed to exploit rivalries within the military high command, playing Wiranto ("the dove") against Suharto's son-in-law Prabowo ("the hard-liner"). Without splits in the military high command, they reasoned, drawing on the Filipino experience, removing Suharto would be extremely difficult.

### **Social Explosion of the Urban Poor**

What probably pushed the regime into dumping Suharto sooner rather than later was the ferocity of the urban riots in May beginning in Medan (May 4–5) and spreading to Palembang (May 13), Solo (May 14–15), and most spectacularly Jakarta (May 13–15). The immediate trigger to the violence in Medan was the announcement that month of further fuel price increases, which meant that cooking and public transport would also become more expensive. Petrol prices were to rise by 70 percent and electricity rates were to increase by 60 percent.

The May 12 killings of six students from the private Trisakti University, attended by the children of the elite, enraged and numbed the whole country, sobering the "intoxication of fraternity" with the armed forces (ABRI). The students, who had protested for weeks within their campuses, had marched onto the streets that day. There were confrontations with riot police, who first kicked and beat the students and then shot into the crowds using live ammunition.

The next day, as students attended a memorial service for their fallen comrades, crowds of people came to the campus walls of Trisakti University, urging the students to take to the streets with them. The students refused, sensing that a riot was likely to occur, and that this would provide the excuse for the armed forces to denounce the pro-democracy movement as "anarchists and looters," taking more severe action against them.

Those involved in the social explosion of May 13 were in their own con-

fused and contradictory way more anti-systemic than many of the stockbrokers, bankers, middle-class professionals, and erstwhile supporters of the regime who have since rallied to the student-led movement and its demands. The objects of the riots were the emblems of the regime and its consumerist values. The air-conditioned shopping malls with their water fountains and piped muzak, the banks and automatic teller machines, the auto showrooms which stocked the Timor car, pet project of "Tommy" Suharto, the fancy hotels where the new rich spent more in a night than most make in a month.

### **Who Were the Rioters?**

According to Gerry Van Klinken, editor of *Inside Indonesia* magazine, "the rioters are the urban poor who have not had political representation in the New Order. They have almost no political leadership other than the sometimes agitational preaching in hundreds of small mosques. Yes, they are anti-Chinese. More generally they are alienated by the entire modern economy." Some 1,188 people died in the riots, according to the Human Rights Commission. Most were looters, trapped in the fires they had started. In Jakarta, the Chinese commercial district of Glodok was the object of a rampage. Chinese women were targeted for rapes, sometimes by groups of men. Two women's organizations, Kalyanamitra and Mitra Perempuan, have confirmed over 100 rapes in Jakarta alone, ranging from girls of 10 to women of 55. Not a single rape has been reported to police. Partly because many women are too ashamed to be publicly identified. And partly because some victims believe that their rapists were plainclothes police officers.

The violence against women and against property has traumatized the entire Chinese community, who remember the killings of between 300,000 and 500,000 ethnic Chinese in the 1965–66 massacres which brought Suharto to power. Over 100,000 Sino-Indonesians have fled the country.

This violence was sharpest wherever there was a total absence of political organization. In Yogyakarta, for instance, where the Muslim Muhammadiyah organization was heavily

involved in the protest movements, there was much less anti-Chinese rhetoric or violence than in other areas.

Because supermarket chains and small shops which stock food were badly hit by the riots, and owners were reluctant to reopen them, severe food distribution problems emerged in Jakarta and other cities.

### **Suharto's Supporters Turn Against Him**

The Indonesian elite worried that, if left unchecked, these uprisings of the urban poor could overwhelm the military who looked on helplessly or were unwilling to intervene as billions of rupiahs worth of property was destroyed, rocking the very foundation of the regime. The calls for Suharto to step down now came from within his own regime. No one could believe their ears when "Ha-Ha-Ha" Harmoko — the sycophantic speaker of the Parliament, chairman of GOLKAR, and onetime minister of information — delivered an ultimatum to Suharto on May 19: resign by May 22 or face impeachment proceedings in Parliament.

On May 20 several Cabinet ministers met ostensibly to discuss the economic situation. By the end of the meeting a number of them had decided to resign rather than continue to serve under Suharto. Other senior figures from the civilian and military establishment, including Habibie and General Wiranto, also called on Suharto that night. They did not give him the unconditional support that until recently had been forthcoming from them. They are said to have hinted that he should go now "in dignity" rather than face trial and public humiliation. He was also promised state protection and the safeguarding of his family's assets. The next day in a brief speech, Suharto asked for forgiveness, appointed Habibie his successor, and withdrew from the stage.

To borrow from Benedict Anderson's classic essay "The Idea of Power in Javanese Culture," the confluence of economic calamity and social disorder signified to the regime as much as to the people the diminishing of Suharto's power and the loss of his *wahyu* (divine luster), the public manifestation of his power. The king was dead. □

# The Asian Crisis and Global Financial Instability

by Jesús Albarracón and Pedro Montes

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**F**or some strange reason, capitalism tends to choose the fateful month of October to unleash stock exchange crashes. It happened in October 1929, and again in 1987. It is not strange, therefore, that as the third week of October approached in 1997, a certain edginess took over the financial sector.

In the days previous to October, the economic press had echoed the anniversaries of those crises. But to most experts and analysts, there were no reasons to be concerned because, they argued, "the economic expansion is built on firm foundations," "the financial markets are more solid than in 1929," "the safety mechanisms introduced in the aftermath of the crash of 1987 will kick in," and so on.

But to a few, the similarities in the evolution of the exchanges with what happened in the moments previous to the crashes of 1929 and 1987 were surprising. So surprising, that on Friday, October 24, coinciding with the date of the beginning of the 1929 crash, the New York Stock Exchange closed with important losses and on the following Monday it simply collapsed and had to be closed precipitously before the normal closing time to avoid greater falls, which could potentially overcome the safety mechanisms.

What has happened since then, up to the writing of this article (March 1998), cannot be compared to what happened ten years ago — sharp and generalized drops in values on the exchanges — much less with the events which followed "Black Tuesday" in 1929 — collapse of stock prices and the onset of the Great Depression.

On the one hand, with the uncertainty unleashed by October, the "Asian crisis" has emerged in crude force, justifying somehow the anxiety which some experienced as the October days approached. On the other hand, most Western exchanges have taken off in a bullish drive which is as nonsensical as it is unstoppable, as if the forced closing of Wall Street had been a nightmare, a bad but passing moment.

These striking and contradictory phenomena underscore, at least, the abnormality of the situation and the speculative and whimsical traits which capitalism has acquired. In the last instance, they show that the enormous root problems derived from the enormous financial instability which underpin the system continue unabated.

## Financial Hypertrophy

In long waves of recession such as the present one, which began in the early 1970s due to a fall in the rate of profit, capital moves toward foreign stock and exchange markets, due to a lack of sufficient profitability in the productive sphere. This turns speculation into one of the most profitable activities and generates a financial economy ever more separated and alienated from the real economy.

This is not a characteristic specific to the present recessive long wave. It already happened during the crisis of the last third of the last century and, above all, during the 1930s. However, nowadays, as a consequence of the very evolution and development of the system, of technological advances, and of the hegemony of neoliberalism with its defense of the absolute freedom of movement for capital, this phenomenon has acquired unprecedented proportions.

In recent years, high government deficits have produced a rise in public debt without precedent in the history of capitalism. Capital markets have been swollen by assets issued by the governments surpassing 10 trillion dollars.

In only 16 years, the public debt of the 21 countries of the OECD has risen from 41.7% to 70.7% of GDP in 1997. Borrowing by domestic enterprises and individuals has also risen, building an enormous financial edifice, constructed through the multiplication of credit: governments issue debt, businesses and investment funds buy it, financing it with their own debt, and so on and so forth in an endless chain. New intermediaries emerge, new types of instruments are developed, new methods of

financing appear, new operations, giving rise to a process of innovation and financial engineering which expands this structure (a house of cards) without limit and opens endless possibilities for speculation.

## A Mountain of Paper Money

The result is that an enormous mountain of paper, of fictitious capital, has been created over directly productive capital. This mountain has cracks, faults, and slides which have introduced a great instability into the functioning of global capitalism.

In the context of absolute freedom of movement for international capital, financial hypertrophy is also reflected in foreign accounts. The upsurge of free trade and the capacity to finance important deficits in balance of payments over prolonged periods augment the foreign debt of many countries, until the moment arrives when payments must be suspended or bankruptcy declared.

Between 1982 and 1997 the foreign debt of the countries of the Third World increased threefold, approaching at present \$1.8 trillion. The great crisis in the foreign debt of 1982, which affected most countries of the Third World, the recurrent crisis of Mexico in 1995, and the actual crisis of the Asian countries developed in the context of these precarious foundations. @subhead = Overvaluation in Capital Markets

On the other hand, financial expansion favors the rise of stock prices in capital markets. The high prices translate into low profitability for finance capital, which is not really counting on the dividends paid directly by the enterprises but rather on the profits to be made from the rising stock prices. Stock prices diverge ever more from the real situation of enterprises, but what drives the owners of finance capital into investing is not real profitability nor the structure of the enterprises, but unbridled speculation. The result is an increasing overvaluation in the capital markets, which leaves them at the mercy of any event which might unleash the crisis.

What is more, advances in communications make it possible to speculate 24 hours a day (in the morning in the European exchanges, in the afternoon in New York, and in the evening in Japan or Hong Kong). It may be said that we have reached an absolute financial "globalization."

### **Huge Global Flow of Speculative Funds**

An enormous volume of speculative funds moves through the international markets searching for profitability, in the capital markets, and in the foreign exchange markets. In the latter case the movement has another no less troublesome consequence: the great instability of currency exchange rates. The evolution of the rates does not necessarily correspond to the real situation of the economies, not even to the real evolution of the balance of payments, creating increasing difficulties for government control of exchange rates, given the magnitude of the funds which move between economies, which become insurmountable when speculative waves are unleashed.

In this respect, one needs only to point out that in the currency markets each day more than \$1.3 trillion are negotiated, which amounts to 85% of the reserves of all central banks or 2.5 times the GDP of a country like Spain.

The fact that practically the entire world has become one great financial market has great implications. On the one hand, speculative movements have acquired such considerable volume that they escape the control of any country, no matter how large. On the other hand, speculation takes place in all markets (in the stock exchanges, foreign exchange markets, in real estate, etc.) so that any disturbance in any of the markets ends up affecting the others, like balls on a billiards table. The conditions are set for any accidental spark to light the powder keg. The latest warning comes from South East Asia.

### **Crisis of the "Asian Tigers"**

The current crisis of the so-called "Asian Tigers" (Korea, Indonesia, Thailand, the Philippines, Hong Kong, Singapore, Taiwan, and Malaysia) started in the summer of 1997 in the foreign exchange markets. On July 2, Thailand, which was submerged in a deep recession

and whose currency had been on a fixed parity with the dollar, was forced to let its currency float freely and it lost 18% of its value in one day. Starting there, the currencies of the remaining "tigers" began to collapse like a set of dominoes: the Philippine peso on July 11, the Malaysian ringgit on July 26, the Singapore dollar on August 12, the Indonesian rupiah on September 26, the Vietnamese dong on October 14 and, on October 17, Taiwan's turn arrived.

The speculative bubble which had developed in all those countries during recent years caused the crisis to spill over very quickly to the real estate and stock markets, with repercussions on the internal and international financial systems. Interest rates were raised precipitously to protect the currencies and prevent capital flight, which provoked a slump in stock and other asset prices, opening financial gaps and undermining the balances of the local financial institutions and of trapped international lenders.

The crisis has taken place after several decades of considerable dynamism among the "Asian Tigers." Since the late 1960s, per capita GDP has multiplied fivefold in Thailand, fourfold in Malaysia, and twofold in South Korea. Per capita GDP in Hong Kong and Singapore is greater than that of many industrial nations. During the last years, Asia has attracted more than half the capital flows destined for developing countries, and its exports have continued to grow, representing at present more than 13% of world exports, compared to only 7.6% in 1985. The manufacturing sector has been outstanding in this growth in exports.

This dynamism and the consequent increase of the participation of the "Asian Tigers" in the world economy has led many authors to speak of a triad in capitalism, with one nucleus formed by Japan and a constellation of these countries, another made up of the United States, with its control of the Americas, while the third is Western Europe, hegemonic on the Old Continent. All of this seems to have collapsed with the crisis of the Asian economies, or at least, to have caused the emergence of profound changes in the world economy. Why?

### **Unbalanced Development**

The dynamism of these countries has been based on a highly unbalanced model of development. These economies are oriented toward foreign markets, because internal demand could not serve as the motor of economic activity. They depend excessively on exports, the growth of which has been possible thanks to an intense process of accumulation and assimilation of new technologies, the competitive edge provided by low wages, and the lack of social safety networks: that is to say, due to the super-exploitation of the labor force, which has placed some of those countries, such as South Korea, in a situation of precarious social balance.

Foreign dependence is not limited to exports. It is also reflected in the importation of commodities — technology, raw materials, and foreign capital, which has sustained the strong levels of investment. The financial systems are in general very weak and fragile, far from having a healthy balance of assets. In other words, these countries have experienced intense and disorderly growth that is inflationary and speculative. The result is that an external disturbance can bring the whole structure crashing down and unleash a crisis.

Exports from these countries have been affected in the first place by the effective appreciation of the dollar since 1995. Since the currencies of the Asian Tigers in practice had a fixed parity with the dollar, all of them experienced a loss of competitiveness. The entrance of China into the world market represented a dramatic increase in commercial competition for these countries, particularly after the devaluation of the Chinese yuan in 1994. To make matters worse, the long recession in Japan has seriously affected the exports of all these countries.

### **Unfavorable Balances of Trade**

All these factors have translated into high inflation, degradation of trade balances, considerable deficits in current account balances (in 1996, 8% of GDP in Thailand; 3.5% in Indonesia; 4.3% in the Philippines; 5.2% in Malaysia; and 4.9% in Korea), high and increasing foreign debt, and, in general, the breakdown of the spectacular process of growth which these countries had experienced in the past.

Faced with this situation, speculative capital wants to seek some distance, which makes it more difficult for these countries to meet their financing needs and defend their exchange rates. But in the West, initially, nobody thought the impact of this monetary crisis would have much importance.

### **Hong Kong, October 1997**

The situation did not reach a climax until the crisis affected Hong Kong. The parity of the Hong Kong currency relative to the U.S. dollar was legally established through a currency board and was considered untouchable, and financial authorities were willing to preserve it, despite the flight of capital and investments which had been generated as a consequence of the return of Hong Kong to China. Speculation did not halt, and the hopeless defense of the Hong Kong dollar on the part of the authorities, produced a considerable rise in interest rates. On October 23, the Hong Kong Exchange, the second in Asia after that of Tokyo, dropped 10.4%, the greatest fall in its history, and the following Monday, another 5.8%, dragging down all other capital markets.

Since then, the fall in stock prices has been considerable, to the point that from the summer of 1997 to the present, the index of the Hong Kong Stock Exchange has lost 50% of its value.

The crisis of the Asian countries, with its deep roots and extensive ramifications, has been present in the analyses of the prospects of the world economy and in the worries of governments and financial and economic institutions. It functions as a backdrop to the international financial panorama although, as noted above, the uncertainties it provokes have not hampered the unprecedented rise of Western exchanges in the last months of 1997 and the first months of this year. The exchanges behave as if as if they were trying to stay ahead of the curve and flee forward, trying to escape from a situation which seems dangerous, not only because of what happened to the Asian Tigers but also because the crisis has had a profound effect on Japan for a long time.

### **Japan's Financial Instability**

Japanese financial instability has deep roots. In fact, for more than a decade the Tokyo exchange has been experiencing

a continuous drop. But in the last few years, and particularly in 1997, a number of insurance companies, trading firms, and investment banks have been affected, which makes the present financial situation extremely delicate. The most important causes of the evolution of the financial situation are the following. In the first place, there has been a sharp decrease in growth in the Japanese economy since the beginning of the economic crisis and a tendency toward stagnation, which it suffers at present. Japan had grown at high rates during the decades of expansion which followed World War II (an average of 9.6% from 1960 to 1973). After the beginning of the long wave of downturn in the world capitalist economy (in the early 1970s), growth rates dropped, but they still averaged 3.6% of GDP between 1974 and 1991.

In the 1990s, this changed. At present the growth of the Japanese economy is practically zero, and at some points in the last few years, growth has been negative. This suggests the idea that Japan has entered a new phase to a certain degree different from that of its world competitors, the U.S. and the European Union. Japan's economy is very exposed and subordinated to exports, and it has difficulties turning internal demand into a motor of economic growth. During the last years, the weight of exports in GDP has dropped (from 10.2% of GDP in 1986 to 9.3% in 1996), with consequent negative effects on the growth of the economy.

In this context, the depreciation of the currencies of South East Asia and the consequent reduction in purchasing power had an important adverse effect on Japanese exports, which constitute 44% of exports in that region, compared to 20% for the United States and 7% for Europe, worsening Japan's situation and prospects. In an economy accustomed to growth, this decline in the growth rate has had strong repercussions on industry and, as a result, on the financial system.

Secondly, the continuous decline for more than a decade on the Tokyo Stock Exchange, above all in comparison to what has happened in capital markets in the rest of the industrial countries, has also had negative repercussions on Japanese financial institutions. While the Dow Jones index of the New York Stock

Exchange grew by a factor of 4.3 from 1987 (year of the last "crash") to February 1998, the Nikkei index of the Tokyo Stock Exchange dropped 26% in the same period. In this respect, it is important to underscore that, independently of the economic reasons which underpin the behavior of the exchanges, such an unequal evolution in the stock exchanges is one of the inexplicable phenomena of the world financial situation, which adds uncertainty and enigma to the prospects for the future, as we shall see in the next section.

Finally, the accelerated depreciation of the currencies of the Asian Tigers prompted foreign investors to take their funds out of the exchanges of those countries to forestall losses in exchange rates. This resulted in considerable drops in stock prices. The losses incurred by Japanese investors in the area weakened Japan's financial institutions, which hold \$118,000 million out of a total of \$750,000 million in loans in the region. This had an impact on the fragile and deteriorated situation in Japan's financial system. Some "obese" Japanese banks have for a few years now worked with a system to camouflage accumulated losses, based fundamentally on the formation of subsidiaries to which they transmitted these losses, until they were out of reach of the financial authorities. All this was uncovered by the crisis now affecting the Japanese financial system. Nobody doubts the gravity of the crisis. But the way to deal with it and its internal and international repercussions are unknown.

### **The Overvaluation of the Exchanges**

Most financial analysts and of course the international financial organizations have tried to limit the reach of the financial crisis of the Asian Tigers and Japan. The crisis is often referred to as "the Asian flu," as if a disease had been exported to us, but it will pass and, if the necessary measures are taken, will not do permanent damage. This attitude seems to be reflected in the evolution of the exchanges after the crisis. The Dow Jones index of the New York Stock Exchange closed in the month of February at a level of 8,545 points, almost 15% higher than the level in October of 1997 and 25% higher than a year ago. Most exchanges in the industrial countries have risen similarly, or even more

drastically, as in the case of Spain. So why worry?

The experts who spoke of a new "crash" in the weeks previous to the anniversaries of 1987 and 1929 had not considered the Asian crisis and were basing their arguments solely on the situation on the Western exchanges, particularly Wall Street. It is ever more evident that the New York Stock Exchange is overvalued, and this has been recognized even by Alan Greenspan, head of the U.S. Federal Reserve.

Financial analysts utilize an indicator to measure this phenomenon, the Price Earnings Ratio — that is, the ratio of the price of a stock to the dividends it produces. The higher the Price Earnings Ratio of a stock, that is, the greater its price relative to the benefits it yields, the higher the risk of buying it, and the greater the probability that its price will fall in the future.

According to J. Siegel, of the Wharton School, the median PER in the New York Stock Exchange has been 13.7, that is, the price of the stock is 13.7 times higher than the profits associated with it. Looked at differently, the dividends represented profits of 7.3% (100/13.7) of invested capital. At the end of 1987, the PER of the New York Stock Exchange was 24, yielding average profits of 4.2% (100/24). A return to the median values of the last century (around 12 x earnings), while keeping profits constant, would require a 40% drop in stock market prices! All these calculations are from the Wharton School, a prestigious institution in economic and financial circles.

Overvaluation becomes evident in a simpler form: between 1987 and 1997 GDP has grown by 70% in monetary terms and by 26% in real terms, while prices in the New York Stock Exchange have multiplied fourfold. The Tokyo Stock Exchange, as we said earlier, dropped 26% in the same period.

In most European exchanges, the overvaluation accumulated in the last few years is not significantly lower than that of Wall Street. It is enough to look, as an example, at the Spanish stock exchange in 1992. The PER of the Madrid Exchange was 10, that is, stock prices represented 10 times the profits they registered, profits of 10% in this case. At the end of 1997, the Madrid

PER had risen to 29.8, and continues to rise in 1998. During the first two months of this year, the price index has risen 23%, the highest rise on all the Western exchanges. In some sectors, such as banks and finance, the PER has risen from 7.7 in 1992 to 34.1 in 1997. In the construction industry, in which the PER has risen between these two dates from 6.9 to 48.0, the overvaluation is even more acute.

Even though during this period there has been a sensible drop in interest rates (stock prices tend to rise when interest rates are reduced, determining a fall in the profitability of the stock which is parallel to that of the interest rates), it is notorious that stock prices have risen much more than can be accounted for by the drop in interest rates. Stock price increases continued during the first two months of 1998 while interest rates exhausted their margin for decreasing. The rises are propelled by the simple force of speculation, or by spurious factors alien to the real value of the enterprises — expectations, black money, fusions, cosmetic changes (share splits) — because at such times investors play to anything that will continue the rises, since they cannot expect higher profitability in the form of dividends nor from fixed yield assets.

To a greater or lesser degree, overvaluation is a dominant trait in all the Western stock exchanges, but more extreme in some cases than in others. In order to assess the degree of anomaly of the situation in the Western exchanges, one must remember that exchanges in other parts of the world are being shaken by violent movements.

### Enter the IMF

The fact that the severity of the situation is not homogeneously reflected in the markets does not mean that there is no awareness of the dangers in the strategic decision making centers of the world capitalist system, as revealed by the declarations of the governor of the Federal Reserve and by the attention and resources devoted by world finance capital, headed by the IMF, which are aimed at containing and dampening the "Asian crisis."

This crisis, even though it has been poorly studied and even more poorly predicted, has had an effect on an already very unstable world financial

situation. The risk that the spark of Asia could light up the powder keg of the world economy was not something to be dismissed easily.

This is the reason why once the crisis burst out, an enormous volume of funds has been directed to the "Asian Tigers," mainly to Korea and Indonesia, with the objective of restoring confidence in the economies of those countries and attracting private capital. In Korea alone, the IMF will channel loans amounting to \$57 billion, which is the greatest salvage operation in the entire history of capitalism. The IMF has participated in the operation, imposing its classic criteria and conditions, together with 13 important industrialized nations and a group of outstanding commercial and investment banks from these industrialized nations. The funds channeled to Indonesia, Thailand, and the remaining countries have been of smaller magnitude, but altogether, the magnitude of the financial assistance to the "Tigers" has no precedent, not even the Mexican rescue operation of 1995.

And this may be only the beginning.

### Will IMF Programs Solve the Crisis?

No doubt IMF intervention has contributed immensely to slowing the crisis and, above all, has prevented its spreading to the markets of the industrialized countries. Even the Latin American markets have felt the commotion, because the Latin American economies have many of the traits which have been noted as the source of the crisis in Southeast Asia: strong foreign deficits, very high foreign debt, fragile and speculative financial systems.

Of course, international aid comes with certain conditions. In return for its funds the IMF imposes "structural and financial reform," that is, cutting back on government spending, a hardening of fiscal policy, a substantial rise in interest rates, liquidation of an important number of banks, and especially privatization of public enterprises, and the opening of markets which had previously been protected.

The consequences of such programs will soon be felt in the form of a substantial reduction in the rate of growth, hefty increases in unemployment, closure of enterprises, and a decrease in the productive capacity of the Asian Tigers,

with the inevitable social consequences. In fact, social instability has already begun in Korea, Thailand, and Indonesia.

In the short term, the effects of the Asian crisis on the world economy as a whole will not be dramatic, although the international financial organizations have had to lower their predictions for

growth in 1998. The IMF estimates that the reduction in the rate of world growth during 1998 as a result of the Asian crisis can be on the order of 0.8 percent. Aside from the immediate repercussions, however, the most outstanding feature of the new crisis is that it has been notably worse and its resolution in the

medium term more uncertain than the previous crisis in Mexico and Argentina.

Where will the next spark jump to? It is hard to make predictions. The worst moments of the crisis may seem to have been overcome, but the overvaluation of the stock exchanges and world financial instability continue to deepen. The environment, as we have tried to show, is charged with electricity. □

March 1998

## Mainstream NY Unions Weigh Separate Ballot Line for November

*Continued from page 17*

While the initial stages of the plan are proceeding apace, the new coalition could potentially come apart over its choice of a candidate for the upcoming governor's race. The conventional wisdom is that the Liberals' Harding has already cut a deal with George Pataki to endorse the Democratic candidate the governor would prefer to run against — Lt. Governor Betsy McCaughey Ross (as one labor leader cracks, "That way Ray can get both Wilbur Ross's check and Pataki's patronage"). Of the remaining Democratic candidates, the only one who is not considered a priori as too electorally weak or too conservative by labor is City Council Majority Leader Peter Vallone.

Vallone's top staffers told the Voice that he'd love to have the new line's endorsement. But some unions involved with the new entity — most notably the Food Workers — can't stomach Vallone. Several upstate labor leaders also ex-

pressed grave reservations about putting Vallone on the new line, referring to him variously as "an invisible man upstate" and "an inarticulate hack who is a pure product of machine politics in Queens."

If the unions decide to put up their own independent candidate, many feel Sal Albanese would be their logical choice. But Albanese is contemplating another citywide race in 2001, and could hurt his chances by running a symbolic, losing race this year. Some downstate unionists have floated the name of former mayor David Dinkins, who could easily get the labor line its 50,000 votes. Interestingly, Dinkins's former campaign manager and deputy mayor, Bill Lynch, has attended several of the ballot-line planning meetings. Lynch says he's not yet prepared to "take this to" Dinkins, and the former mayor could not be reached for comment. Upstate labor leaders feel that Dinkins would hurt, not help, the effort north of the Westchester County line.

Still other unionists feel that the new entity's candidate for governor should come from labor's own ranks. One name mentioned is that of UAW Region 9 director Tom Fricano, who was the Democratic Party candidate against Republican Representative Bill Paxton in 1996 (although apparently no one has as yet broached the subject with Fricano, who also could not be reached for comment).

In any case, as CWA political director Bob Master puts it, "at this point we're focused on the ballot line, not on the candidate." And there is time before the choice has to be made; unlike the existing alternative parties, a start-up independent line can replace the candidate it puts on its nominating petitions after the primaries. But for now, the nascent labor coalition has both the will to create the new line and the troops to put it on the ballot. And that's a prospect that could change the topography of New York politics in a way that is long overdue. □

## Pres. Andy Stern Urges All SEIU Locals to Attend LP Convention

*Continued from page 18*

The *independent* was Vermont Congressional Rep. Bernie Sanders, who was also given a full page of the UAW's magazine to express his views. "With working people coming out and fighting for their rights," said Sanders, "we could have all of those programs the UAW has been supporting for years...[We] are

going to take over the system. It belongs to the American people. Let's take over."

Of course this is mostly rhetoric to disguise continued support for the bosses' party, the Democrats. But union officials feel they have to try to sound more independent. That is also a sign of the times. It reflects the growing awareness that labor *does* need its own political party. And the existence of the Labor

Party, endorsed by unions representing well over a million members, is a constant pressure on the rest of the union movement, reminding them of this elementary class need.

All this demonstrates the correctness of the LP leadership's strategy of patiently working to increase support within the unions — to eventually win a majority to the labor party idea and to consciously independent working class political action. □

# Against Government Intervention and Control of Unions

by Jerry Gordon

*The following is the edited version of the author's introductory remarks to a meeting against government intervention and control of unions, held in Cleveland, Ohio, June 13.*

**T**he purpose of this meeting is to launch an educational campaign within the Labor Party (LP) on the need to oppose government intervention and control of unions in this country. We see this meeting as part of the pre-convention discussion leading up to the LP's First Constitutional Convention scheduled for Pittsburgh on November 13-15, 1998.

In talking about government intervention and control of unions, I'm referring to government strike-breaking, government union-busting, punitive legislation, control over unions' basic functions at the expense of members' democratic lights, government dictating who may and may not run for union office, and so on. The stakes in the struggle to curb such governmental actions could not be higher, since they jeopardize the very survival of the labor movement as an independent and democratic force.

The key to opposing government intervention and control of unions is the understanding that government is no neutral or impartial third party in the conflict between capital and labor. Whatever the appearance or rhetoric may be to the contrary, government is the agent of the big banks and corporations. It represents their interests, not the interests of working people.

In my remarks today, I want to highlight the relationship between government and the unions over the past 50 years, provide a brief historical sketch of what that relationship has been, and then respond to some questions that have been raised regarding this meeting and some arguments that have been advanced in support of government intervention into unions' internal affairs.

## 50-Year Record of Intervention

With respect to the past 50 years, here is what government has done to unions in this country:

### 1947: Taft-Hartley Bill

This piece of legislation, far worse than any other, has truly shackled the labor movement. Among other things, it did the following:

- in effect, banned mass picketing to stop production and distribution of scab products;
- barred secondary picketing and boycotts;
- outlawed the closed shop;
- authorized states to make union-shop agreements illegal;
- allowed companies to file damage suits against unions;
- barred contributions by unions to candidates for federal office.

No wonder this act was called the "slave labor bill" by unions at that time. Yet Taft-Hartley was approved by a big bipartisan majority. Of course, the Republicans voted for it overwhelmingly. Democrats in the House of Representatives voted "Yes" for Taft-Hartley by a 103-66 vote and in the Senate by a 17-15 vote.

### 1959: Landrum-Griffin

This law tightened Taft-Hartley restrictions on labor's rights and added others. For example, it prohibited unions from negotiating "hot cargo" agreements, thus forcing union workers to handle and process scab products from other workplaces on strike or face discharge.

The law had two other purposes. It was intended to give the government oversight and scrutiny over how unions spend their money and it prescribed how unions are to conduct their internal elections.

With regard to the latter, if you are convicted of any of 12 felonies listed in Landrum-Griffin, you can be disqualified from running for union office for up to 13 years. One of these felonies is "assault which inflicts grievous bodily injury." Thus, if a militant worker defends a picket line against scabs,

goons, and cops, he or she could be set up for a felony conviction and barred from running for office — even if every member of the union would have voted to elect that person.

### 1970: Racketeer Influenced and Corrupt Organizations Act (RICO)

This is another powerful weapon government has used to go after unions. This law was supposedly designed to get the racketeers. But the government said that since racketeers control some unions, union members are subject to its conspiracy provisions. RICO casts a wide net that can snare almost any union activist.

### 1981: PATCO

This was government strikebreaking and union-busting at its classical worst. The Carter administration drew up the plans to crush the air traffic controllers' union if the workers struck, and Reagan implemented those plans, sending PATCO leaders to jail in chains and wiping their union off the face of the map.

### 1991 and 1992: Congressional Legislation Breaking Rail Workers' Strikes and Sending the Workers Back to the Job on the Employers' Terms

This was also bipartisan governmental action against the unions, with the 1991 vote nearly unanimous and the 1992 vote totally unanimous.

### 1995: Detroit Newspaper Strike

The workers had Gannett and Knight-Ridder on the run, with mass picket lines preventing distribution of the scab papers by keeping the trucks from getting out. A state judge issued an injunction reducing pickets to token numbers and enabling the publishers to freely distribute their papers. It was a crushing blow to the strike.

### 1998: Carey Disqualified by the Government from Running for Teamsters International President

This of course involves the rerun election scheduled for later this year. This action was taken without any semblance of due process. It was a flagrant violation of the workers' right to decide for themselves who would serve them as Teamsters international president.

It was this undemocratic disqualification of Carey that led some Labor Party chapters and individual activists to urge

the LP's Interim National Council to take action at its January 1998 meeting in support of workers' rights to run their own unions and against government strike-breaking and union-busting. But a resolution on that subject that was introduced at the meeting was tabled, meaning the question is now before the Labor Party and will be before it at the November convention.

The above list of government attacks against unions is just a partial one. But it lays bare the class bias of the government and shows its true face as the agent of big business. So, when people say government intervention into the internal affairs of unions is a good thing, remind them of these events of the past 50 years.

### **Government Intervention in Earlier Labor Battles**

Of course, government attacks on unions did not begin with Taft-Hartley. Government intervention and control over unions is as old as the labor movement itself. From the beginning, unions had to deal with injunctions and the courts — judges made law at the request of the bosses.

Unions fought on two fronts: against the employers and against the government. It soon became evident that it was one and the same fight.

All the employers had to claim was that some union strike or activity threatened their property or business and an injunction would be issued, sometimes without the court even hearing arguments by the union. Injunctions were issued indiscriminately against strikes, picketing, "peaceful picketing," preventing others from working, organizing, boycotting, and even holding meetings.

There were two historic events that drove home with a vengeance how government served the employers.

### **The Pullman Strike, 1894**

The first was the Pullman Strike of 1894, conducted by the American Railway Union (ARU) led by Eugene V. Debs. As soon as the strike began in Illinois, the company started hiring scabs. Then Pullman went to court and got one of the most sweeping injunctions ever issued. If obeyed, the union could not have carried out even the most minimal strike activity. The union defied the

injunction, but continued to conduct the strike peacefully. Despite this, President Grover Cleveland sent in 11,000 troops. (This was illegal. Under the Constitution, troops can be sent into a state only when requested by the state legislature or the governor. There was no such request here.) The troops were joined by 2,600 deputies, armed and paid for by Pullman. This combined force attacked the strikers, killing 25 workers and injuring 60.

Debs urged a general strike, a proposal enthusiastically backed by Chicago unions. Samuel Gompers, president of the AFL, hurried to Chicago, convened a meeting of the AFL Executive Council, and secured a unanimous vote against a general strike. That did it for the ARU strike. The strike was destroyed and the union's leaders were jailed. The ARU never recovered from the defeat.

After Pullman, injunctions against unions were issued in even greater numbers by both federal and state judges. No union was immune. It was an across-the-board governmental offensive against the entire labor movement, threatening it with extinction. At the turn of the century, the AFL made enactment of an anti-injunction law by Congress its number one priority.

### **The Buck's Stove Strike, 1906**

Then came the 1906 Buck's Stove and Range strike in St. Louis, with Gompers himself targeted by the government for his actions in support of the strikers.

Buck's Stove workers were represented by the Metal Polishers Union. The company decided to break the union and provoked a strike. The union called a boycott, which proved to be effective. The company got an injunction prohibiting the boycott and other strike activity. The AFL was ordered not to print the words "We Don't Patronize" regarding Buck's Stove in its publication, *The Federationist*. Gompers spoke out against this censorship and voiced his support of the boycott. Editorials in *The Federationist* did the same. As a result, Gompers and other AFL leaders were cited for contempt of court. Gompers was sentenced to a year in jail. (His cardinal offense was sending out a letter asking for contributions to help defray legal costs.)

All of this prompted outrage not only among union members but among other people in the United States concerned about the attacks on free speech and freedom of the press. A broad united front against government repression then developed.

These events, starting with the 1894 Pullman Strike, helped cement what became a strongly held position within the labor movement — opposition to government strike-breaking, union-busting, and denial of union members' democratic rights. What we say today is that that position must be maintained and strengthened because it is progressive and in the interests of the working class.

### **Calls for Labor Party, Early 1900s**

Incidentally, the attacks against labor by the government have historically deepened support within the labor movement for the formation of a labor party. In fact, in the early 1900s, the AFL was inundated with resolutions, letters and calls urging it to break with the two major parties and start one that would speak for working people.

For example, in 1908, a Chicago local union wrote to Gompers: "Do any of the old parties care for the labor class? No, with a capital N. Mr. Gompers, don't you think it is time you quit dabbling with the old political parties and support the only means by which laboring men can elect our own representatives, as the capitalists do theirs now — a party of the laboring people? Let's stop working for those who promise to get our votes and as soon as elected will drop us like hot cakes and enact laws by which we can be pushed further down than we are now. Have not the events since 1906 taught you anything?"

Gompers replied: "If I tried for a whole day to describe the situation, I could not do it better."

Still, Gompers remained adamantly opposed to independent labor political action and a break with the bosses' parties. His philosophy continued to be to work within the two-party system, using the slogan "reward your friends and punish your enemies." He was an ultra-conservative union leader. We saw that when he abandoned the Pullman workers and when he kept unions chained to the bosses' parties. But on the question of government intervention and control



of unions, he was at one with other labor leaders and the rank and file. He opposed it.

### Questions Raised Regarding Our Stand Against Government Intervention

Our meeting today prompted some questions, comments, and controversies. I want to respond to some of them.

**Question:** Why is the educational campaign we are launching today just directed to the Labor Party? Why not to the labor movement as a whole?

**Response:** We do want to reach as many unions as we can with the message of this meeting. And the resolution against government intervention, which we will be discussing today, can be modified and taken to union bodies. But it would be grandiose for the relatively small number of us here to project a campaign for the entire 16-million-member labor movement.

On the other hand, we are activists in the Labor Party and it is feasible and realistic for us to talk about a resolution we can take to the party's November convention. If we can get the Labor Party to take a position against government intervention and control of unions, then we have more of a base to take the issue to the broader labor movement.

**Question:** Is the purpose of this meeting to form a caucus?

**Response:** No. We've made quite clear that the purpose of this meeting is educational and nothing more.

**Question:** Aren't we involving ourselves in the Teamsters internal affairs?

**Response:** No, we are not. We're not taking anyone's side in the Teamsters internal elections. It's up to the Teamster members to choose their leaders. We only say they should have the right to make that decision free from government disqualifications and restrictions on the members' democratic rights.

In his April 30, 1998, testimony before the Hoekstra Committee [House Education and the Workforce Subcommittee on Investigations], AFL-CIO President John Sweeney asked: "And how can we get the Teamsters restored to their own autonomy and self-governance as fast as possible?" That's

our position, and it's not intervening in the Teamsters internal affairs.

**Question:** "Ron Carey is guilty. He got what he deserved. Why should we support him?"

**Response:** This meeting was called to support workers' democratic rights to run their own unions. We're not here to argue Carey's innocence or guilt. What we say is that Carey, like all union leaders, is accountable to the membership, and the membership — not the bosses' government — should decide who will be their officers.

**Comment:** Isn't government intervention needed in the unions in order to get rid of the bad guys?

**Response:** Those who advance this argument often cite the experience of the United Mine Workers (UMWA) and the Teamsters. They contend that what happened in those unions proves their point.

Let's consider what happened with the UMWA. In 1969, Tony Boyle and his goons were running the union. There was a growing rank-and-file movement demanding change and calling for an alternative leadership. Jake Yablonski, a longtime top leader of the Miners (John L. Lewis once called him "my right-hand man") gave voice to that reform movement and ran against Boyle for president. Boyle won the election, but Yablonski went to the government, charging the election was rigged. While this claim was pending, Boyle had Yablonski assassinated, along with his wife and daughter. It was on the day of Yablonski's funeral that Miners for Democracy was founded.

The court ultimately threw out the 1969 election and in the rerun in 1972, Arnold Miller defeated Boyle (who was later convicted of the Yablonski murder and jailed). Later, Rich Trumka was elected president and, when he became AFL-CIO secretary-treasurer, he was succeeded by Cecil Roberts.

The UMWA today is a far more democratic union than it was in the days of Tony Boyle. Who gets credit for that? The rank-and-file reform forces and all who risked their necks and — as in the case of Yablonski — gave their lives to change the union.

It is wrong to give the government any credit whatever for its role. Does anyone think that if the government had not been called in, Tony Boyle and his ilk would be running the Miners union today?

Now let's look at the Teamsters situation. There have been positive changes, due in large part to the rank and file having a direct vote in electing their International officers. Who gets credit for that? Not the government! In order to avoid RICO convictions and possible jail terms, the old guard gave the government supervisory control over the union and its elections. At this juncture, the reform forces, led by Teamsters for a Democratic Union (TDU), intervened to secure the popular election of officers.

Giuliani, the prosecutor in charge of the case, did not "give" the vote to the membership. It was pried out of him by TDU, which utilized an opportunity that opened up for them. Since Giuliani was posturing as a champion of the members' democratic rights, he was hardly in a position to deny them the right to vote to elect their top officers.

But let's be clear about one thing: This was an incomplete and fragile victory. We saw that when the government canceled the results of the 1996 election, then disqualified one candidate while allowing the other — Hoffa — to be on the ballot for the rerun. Both should have been on the ballot, where the membership had placed them.

It is also important to point out that many unions — locals and even national unions — have been cleaned up without any government involvement. One such example is the Fur and Leather Workers, which the mob sought to control during the 1920s and 1930s. They were physically driven out by the membership, including the notorious Lepke-Gurrah gang.

Experience proves that when the government intervenes to deal with unions' internal problems, the union generally pays a heavy price. The members' democratic rights to run their own unions are necessarily circumscribed. And once the government gets in, how do you get it out?

Workers seeking to reform their unions cannot rely on the government, which represents the bosses' interests, to do it for them. Government intervention can never be a substitute for a

strong rank-and-file movement when it comes to making fundamental changes. To think the government can ever be an ally of such a movement is an illusion.

**Comment:** It's wrong to oppose government intervention across the board. Unions have rights which they ought to assert before the National Labor Relations Board (NLRB) and the courts.

**Response:** No one disputes the need for unions to use whatever tools are available. We have to deal with the realities of the society in which we live, with all of its limitations. Unions have certain rights and they must be defended in every forum.

But that has nothing to do with what we are discussing here. Nothing in the resolution before you bars filing an unfair labor practice charge with the NLRB. Nothing bars a union from filing a breach of contract lawsuit against an employer in a court. Nothing bars calling upon a court to order a new union election, where the contention is that the one field was unfairly conducted.

Some people here may not agree with appealing to a court in such a situation. Others may think there is absolutely nothing wrong with it, pointing out that the legal action being taken is against the union's leaders, not against the union. (By the way, in addition to the Miners experience, Ed Sadlowski, upon losing an election for district director of the Steel Workers Union and having the election upheld by the Steel Workers international leadership, appealed to the Labor Department and the court for a rerun. The court ordered a new election and Sadlowski won.)

The point is this: We need to be clear about what the resolution says. It is against government strike-breaking. It is against government union-busting. And it is against governmental attacks on workers' democratic rights to run their own unions. That is what the "Be It Resolved" part of the resolution declares — and nothing more.

So let's not get sidetracked by such arguments as "Well, we should still file unfair labor practice charges." Of course we should, where appropriate. But that is not the issue today. It's apples and oranges. Let's not allow the waters to get muddied by irrelevant contentions.

Having said all that, I would like to make two general observations:

First, on all questions involving going to the bosses' government to ask it to resolve an internal union problem, such as ordering a new election, it must be emphasized that such involvement may well jeopardize the independent functioning of the union by opening it up to ongoing and deepening government control.

Second, when government does something favorable for a union we need to explain why. It may be a concession in the face of pressure, in which case the workers generating the pressure get the credit, not the government. It may be a gesture to make workers think the government is "fair." (After all, if all court and NLRB decisions were anti-labor, the game would be up and workers would see more clearly the need for a workers' government instead of the bosses' government we now have.) Or it may be a bone thrown our way without really helping labor's cause at all. For

example, the NLRB upheld many of the union's unfair labor practice charges against Caterpillar and issued nearly 500 complaints against the company. So what? The union suffered a severe setback in the strike, and all the complaints were withdrawn. So, how much help did the government give the union?

### **Toward the Labor Party's November Convention**

The issue we are discussing today should be a top priority for the labor movement. Labor's ability to survive as an independent, democratic movement is in jeopardy. Labor's space to function is constantly shrinking under a barrage of anti-labor laws, court decisions, and government actions.

Today it's Carey they've victimized. Tomorrow perhaps Trumka. Who's next? Who will be in their gun sights next week or next month? Any militant union leader or activist is a potential target.

Because of that, a fightback movement has to be built against government intervention and control of unions, against government strike-breaking and union-busting, and against the government's denying union members the democratic right to run their own unions, including electing the officers of their choice.

So, let's hope this meeting can contribute to building such a fightback. And let's resolve to take the message of this meeting to co-workers, to our unions, to Labor Party chapters and affiliates, and on to the Labor Party's First Constitutional Convention in Pittsburgh this November. □

## **New Controversy for the Nation of Islam**

*Continued from page 24*

annual Saviours' Day convention attended by 20,000 people. There, Minister Farrakhan embraced Kwame Toure (Stokely Carmichael), head of the All-African People's Revolutionary Party, and newly freed political prisoner and former Black Panther leader "Geronimo" Pratt, while welcoming Lyndon LaRouche lieutenant James

Bevel and representatives of Sun Myung Moon's reactionary, right-wing Unification Church. No other organization could attract such disparate people to the same stage.

The appointment of Muhammad Aziz may have once again brought national attention to Farrakhan, but his plans for the future may well keep him in the spotlight. The Nation of Islam has called

for a 1998 "Revival to Save the Family" in preparation for a "Million Family March" to be held on October 6, 2000, in Washington, D.C. The political character of these events is not yet clear, but certainly they will bear watching as new controversies about the Nation of Islam will be sure to come. □

# Reading from Left to Right

by Joe Auciello

## Ahmed Ben Bella on Che Guevara

A reminiscence of Che by Ahmed Ben Bella, former leader of the Algerian National Liberation Front and first president of post-colonial Algeria, appeared on the Internet earlier this year. We were alerted to it by Peter Lindgren, who maintains a web site for *International Viewpoint*, monthly publication of the Fourth International. Ben Bella's article first appeared in the French publication *Le Monde Diplomatique*.

In his article Ben Bella especially emphasized the international collaboration and solidarity which Algeria received from Cuba, and from Che personally. In response to a military threat against the Algerian revolution in 1963, Cuba sent tanks and several hundred soldiers. The tanks had been delivered to Cuba by the Soviet Union on the express condition that they not be made available to third countries, even Communist countries such as Bulgaria, in any circumstances. Despite these restrictions from Moscow, Ben Bella related, the Cubans defied all the taboos and sent their tanks to the assistance of the endangered Algerian revolution without any hesitation.

Che Guevara was acutely aware of the countless restrictions that undermine genuine revolutionary action — as soon as it comes into conflict directly or indirectly with the implacable laws of the market and the merchant mentality. He denounced these publicly at the Afro-Asian Conference held in Algiers in February 1965.

Moreover, Ben Bella reported, the painful terms on which the Cuban missile crisis had been concluded, and the agreement between the Soviet Union and the United States, had left a bitter taste in the mouths of the Cuban leaders. "I myself exchanged very tough words on the matter with the Soviet ambassador in Algiers. All of this, together with the situation prevailing in Africa, which seemed to have enormous revolutionary potential, led Che to the conclusion that Africa was imperialism's weak link."

Che, as is now well known, spent a year in Africa working with revolutionary forces in the Congo. His experiences there have recently been documented in articles by Richard Gott (*New Left Review*, No. 220, November-December 1996) and Zbigniew Kowalewski (in the November 1997 *International Viewpoint*.)

Che eventually departed for South America and organized a guerrilla column in Bolivia, where he ultimately was killed on October 9, 1967. Ben Bella described that day as "a day of immeasurable sadness. The radio announced the death of my brother in struggle, and the enemies we had fought together rejoiced at their victory. But as time passes, and the circumstances...fade from memory, so Che is ever more present in the thoughts of all who struggle and hope. He is part of the fabric of their daily lives...rekindling their courage and renewing their strength."

The full text of Ben Bella's article in English can be found on the web site of *Le Monde Diplomatique* at: [www.monde-diplomatique.fr/md/en/1997/10/che.html](http://www.monde-diplomatique.fr/md/en/1997/10/che.html).

## Documents from the History of American Communism

Having read many histories, studies, biographies, and memoirs of the Communist Party by its members and former members, I felt I knew the topic quite well. Reading Albert Fried's superb new collection, *Communism in America* (Columbia University Press, 1997) I was surprised to realize how much more I had to learn.

Yes, the familiar, dreary record of Stalinist deception and treachery will certainly be found here, including the venal denunciations of Trotskyists in the Moscow Trials as agents of fascism. Reprinted also are documents from the Popular Front period (when "Communists" began supporting and voting for the "New Deal" bosses' party, the Democrats) and articles that mark the twists and turns of "the party line" during World War II when, on behalf of the war effort, the Communist Party opposed labor struggles in the U.S.

As party leader Earl Browder said in 1943, "Today in the United States it has become an imperative duty of all sound labor leadership to restrain strikes and to do everything to dissolve the strike movement. You cannot have strikes and win the war..."

Such material has a necessary historical value and records the sorry programmatic decline of the Communist Party after it submitted to the ascendancy of Stalin's bureaucracy in the Soviet Union.

But Fried has also gathered some exceptional, vivid writing by figures more heard about than read. There is wonderful labor reportage collected in this book by writers like Meridel LeSeur and Mary Heaton Vorse, among many others.

Here, for instance, is the opening of LeSeur's "Women on the Breadlines" from the January 1932 issue of the magazine *New Masses*: "I am sitting in the city free employment bureau. It's the woman's section. We have been sitting here now for four hours. We sit here every day, waiting for a job. There are no jobs. Most of us have had no breakfast. Some have had scant rations for over a year. Hunger makes a human being lapse into a state of lethargy, especially city hunger. Is there any place else in the world where a human being is supposed to go hungry amidst plenty without an outcry, without protest, where only the boldest steal or kill for bread, and the timid crawl the streets, hunger like the beak of a terrible bird at the vitals?"

Vorse's accounts of the Passaic strike (1926) are moving and memorable, models of radical labor journalism. In this book Fried has collected many examples of enduring prose and poetry that still resonate decades after they were originally published. Writings like these make *Communism in America* a book that I wanted to *read* rather than merely know for its historical and factual content.

Fried has organized his *History in Documents* by topic rather than simple chronology. Art and culture are generously represented, as are labor and civil rights struggles, etc. Fortunately, Fried

has interpreted the term “documents” widely, so that letters, memoirs, personal essays, etc., will be found side by side with official statements and convention resolutions.

### **Cannon’s Writings — to Understand CP History**

Of course, a history of American Communism in any form requires a theory of the Soviet Union, and of the relationship between the American party and the Soviet leadership. It is not Fried’s purpose to provide that theory, though he has written an informative and compact “Summary and Overview.” To understand the political trajectory of the American Communist Party, the writings of the Trotskyist leader James P. Cannon are still essential, including his *First Ten Years of American Communism* and essays such as “American Stalinism and Anti-Stalinism,” contained in *The Struggle for Socialism in the “American Century,”* both published by Pathfinder Press.

Also worth noting is *James P. Cannon and the Early Years of American Communism, Selected Writings and Speeches, 1920–1928*, published by Prometheus Research Library in 1992.

A documentary collection is a necessary companion volume to Cannon’s writings, or to the work of the various historians of Marxism in the United States. *Communism in America* is that indispensable book for anyone who wants to learn, or learn more, about the U.S. Communist Party and North American radicalism in this century. As a well-chosen anthology, it also makes a fine starting point for continued study

One socialist scholar who has for many years been studying the American left is Alan Wald, author of *Writing From the Left* and other valuable books. He is also an editorial board member of the magazine *Against the Current*. Responding to our query in regard to Fried’s book, he commented: “In light of the numerous controversies surrounding U.S. Communism, Fried’s volume provides an exceptional opportunity for socialist activists to examine a wide range of primary materials and come to their own conclusions.”

(One historical tidbit, courtesy of Alan Wald’s book *The New York Intellectuals*: In 1921 James P. Cannon “lived for five or six months with Robert

Minor, the *Masses* cartoonist who was married to Mary Heaton Vorse...It was Vorse, a professional journalist, who taught him how to organize materials for speeches and articles, improving Cannon’s skills, which had been self-taught from the time of his high-school days.”)

*Communism in America* concludes with a thorough bibliographic essay and recommendations for further reading. Wald also points out that Columbia University Press in its “Morningside Editions” series has reissued a number of out-of-print books on U.S. radicalism, including Sidney Hook’s *From Hegel to Marx*, Daniel Aron’s *Writers on the Left*, Walter Rideout’s *The Radical Novel in the United States*, and several others. These books also include new introductions.

Max Eastman’s *Artists in Uniform*, a polemical study of Soviet writers under Stalin’s domination in the 1930s, also deserves to be republished. Perhaps, too, an enterprising scholar could collect and see into print an anthology of Eastman’s revolutionary writings. Eastman is a figure whose merit has never been properly acknowledged — perhaps because his later weaknesses were so numerous and so well articulated. Still, the writings from his radical decades deserve to be read. A new project for Albert Fried?

### **Health Care**

Our previous issue carried an article describing the crisis of health care in the U.S.

Reports of scholarly research and news articles published since then continue to document the depth of that crisis and its terrible impact on working families and the poor. What follows is only a brief sampling of recent material.

In a February 27 article entitled, “Researchers Report Surge in Deaths Due to Medication Errors,” the *Boston Globe* revealed: “The number of Americans who died from medication errors rose sharply between 1983 and 1993, according to a new study, and researchers say the trend appears to be continuing. One underlying cause may be the radical shift in patients’ medical care from hospitals to outpatient settings... The jump in such deaths was 8.5 fold.”

Outpatient deaths increased from 172 in 1983 to 1,459 in 1993. Some researchers suggested the number of fatalities was most likely *underreported* since

patient deaths due to doctors’ and nurses’ errors could be noted in some other way.

Medication fatalities within hospitals are also on the rise, from 2,876 in 1983 to 7,391 in 1993. Michael Cohen, director of the Institute for Safe Medication Practices, argues that a rise in these unnecessary deaths is the result of budget and personnel cuts in hospitals and staffs. The doctors and nurses who remain “are forced to care for a larger number of patients who tend to be sicker than ever before.”

In other words, reducing medical costs increases the number of fatal errors. Money is saved while lives are lost.

### **“Unfortunate Side Effects”**

David Phillips of the University of California at San Diego, an authority on mortality trends, said, “We did this study because we were concerned that there might be *an unfortunate side effect of this effort to economize*, such as extra deaths from medication errors” (emphasis added). “Unfortunate,” perhaps, but necessary if U.S. capitalism’s current system of for-profit health care is to continue.

Another California study concludes that medical care of any kind is becoming increasingly unobtainable for minorities, the unemployed, and the poor. Managed-care companies are reluctant to sign up doctors who treat unprofitable patients, according to a report published in the March 4 *Journal of the American Medical Association*. The study found that “physicians in managed care had significantly lower percentages of uninsured and nonwhite patients in their practices.” The report concluded that “rather than rewarding those physicians for their socially responsible deeds, the health care market-place seems to be excluding them.”

Meanwhile, *Newsweek* continues to fulfill its ideological function by giving assurances that, as always, America’s corporate leaders know what is right for you (maybe that’s why they’re paid so much) and the ruling class rules with your best interest at heart. In its March 9 issue, *Newsweek* columnist Robert J. Samuelson (“The Backlash Against HMOs”) tries to soothe readers’ anxieties about the crisis in big-business health care. While he acknowledges that managed care has its problems — “It’s a mess,” Samuelson concedes — none-

theless, "On balance, managed care has been constructive. Its largest achievement has been to slow soaring health costs."

One takes encouragement wherever it can be found. Of course, there is no mention from Samuelson of any "unfortunate side effects."

### Human Costs of "Managed Care"

The more frankly conservative *U.S. News and World Report* provides a far better account of the state of health care in a personal essay published in its March 9 issue by former medical administrator Dr. Linda Peeno. The editor's introduction accurately notes, "Peeno's account vividly points out many of the human costs of the shift to managed care."

Dr. Peeno describes a system in which she constantly felt "the pressure to find a way to say no" to doctors' requests for their patients. Other staff members at her HMO added to the pressure. Too much money flowing to patients would limit bonuses or lead to job cuts.

Whatever she may have thought when she accepted her position, Dr. Peeno soon learned "that a doctor who had old-fashioned notions about patient care would not survive." Her primary function was to keep profits up and costs down. "Once a plan is up and running, the quickest way to a good bottom line is to limit and deny services. And the industry message was clear: That is the medical director's job.

"...[M]edical directors are expected either to do [this job] directly or to figure out how to get the treating physicians to do it for us. The results are the same. Money unspent is money saved. Lest I forgot that, my bosses delighted in reminding me that I was dispensable..."

Ultimately the strain between saving money and helping people became unbearable. "I couldn't overcome the pressures to deny care, to manipulate medical guidelines and contract language, and to push physicians toward some practices that endangered patient care. I was surprised to find that it made little difference whether a company was for-profit or not-for-profit. The basics of managed care were the same."

In 1991 Dr. Peeno resigned from her position: "I was not tough enough to do the job of issuing denials in order to save money."

### Deepening Public Dissatisfaction

Since 1991, the pressure on medical administrators to cut costs and ruin lives — reflecting the interests and power of the corporate giants — has only intensified.

Christopher Hitchens has written an important and revealing article on the state of U.S. health care in, of all places, *Vanity Fair* (August 1998), and *Time* ran a cover story on the topic in July. The continual flow of material on health care in the mainstream media reflects a deep and wide public dissatisfaction with the system that holds our lives in its hands.

The Labor Party, at its upcoming convention in Pittsburgh, plans to launch a campaign for *health care as a right*. It was the labor party in Canada that was mainly responsible for the establishment of the far more humane health care system that exists in our neighbor country to the north. In almost every country where there is a strong labor-based political party, more decent health care systems are in place.

More to come in future issues on these points...

### Robert Levy

In his introduction to *Failure to Quit* (1993), a collection of essays and speeches, Howard Zinn thanks "those super-organizers, Robert and Ethel Levy" who arranged the forum where one of Zinn's speeches was given. For the last several years, the Levys have presented a progressive, nonsectarian summer forum series, "talkingtogether," which has included, in addition to Zinn, speakers like Noam Chomsky and Elaine Bernard. These meetings, held in the town of Wellfleet in southeastern Massachusetts, have been taped and broadcast on local radio in the fall, and some talks have been shown on the community cable station, providing the Cape Cod area with a unique, left-wing voice.

Robert Levy died some months ago after a long illness. *BIDOM* readers may never have heard of him, but Robert Levy was a remarkable man whose passing should not go unnoticed.

Several summers ago I remember seeing someone handing out leaflets in the resort town of Wellfleet, and having distributed a few million leaflets myself over the years, I was curious about this person and his cause. He was a tall, gangly man with a booming smile, a welcoming grin that flashed like a lighthouse beacon. The leaflet announced a left forum series on Cape Cod — a welcome and unexpected discovery — which showed that social conscience need not go on summer vacation.

At the forums themselves I recall many excellent speakers, Ethel Levy's generous, eloquent introductions, and the warm presence of Robert Levy, intently focused on the technical set-up, beaming with pleasure, kindling a joyful spirit throughout the lecture hall.

Let's remember Robert Levy this way: a good and cheerful man whose deep and inspiring pleasure in life was sustained in part by meaningful political work. He was the kind of man I hope to become some day. I wish I had known him better and am saddened by his loss. This summer in Wellfleet, when "talkingtogether" continues, I will feel Robert Levy's presence again, and in the spirit of comradeship, I will whisper a greeting and will try to return at least something of his good cheer, at least something of his smile.

(For Zinn's book, write: Common Courage Press, P.O. Box 702, Monroe, Maine, 04951.)

### "International Viewpoint" Web Site

*International Viewpoint*, the magazine that publishes articles by the co-thinkers of *Bulletin in Defense of Marxism* from around the world, has a new, simpler web address. Type [come.to/international-viewpoint](http://come.to/international-viewpoint) to find the contents of the current issue, selected articles and reviews from past issues, and links to the Fourth International. Subscription information can be found on our inside back cover. □

## Singer for "Rage Against the Machine" Speaks Out

*Continued from page 25*

keep the people from organizing in an autonomous manner in order to overcome poverty and isolation.

Later, at the beginning of 1996, I organized a group of young people: students, artists, activists from East Los Angeles, to go to Chiapas. It was just before the first San Andrés Accords were to be signed. We saw how militarization had increased, we checked how the militarization of more than 70,000 soldiers obligated the 70,000 families to face death through hunger; we also saw the threat and daily intimidation suffered by the communities.

### "Low-Intensity War" Against Civilians

We became conscious of the importance of civil society creating a defense line because one of the obstacles that we

could create against the low-intensity war was to be in the communities, to be with the children while the men went to work in the fields; just to be there.

All this baggage and experience I had in Chiapas inspired me to write in the United States the songs "The Winds Blow" and "Without a Face" in our second album "Evil Empire."

Later I was at La Realidad for the Continental Encounter for Humanity and Against Neoliberalism. We realized the importance of dialogue between civil society and the Zapatistas, and we identified with them as a generation. We are a people without a party, we are for a different world where money is not the only exchange value, we are against racist politics in the United States.

Given the crisis and the Free Trade Agreement, the people of the United States also feel like people "without a

face," that is, with no alternatives, without possibilities.

Dialogue and the importance of the place given to us by the Zapatistas made us feel as a part of the Zapatista struggle, because we are students, workers, artists, and many of us are Mexican.

This last time I have come to Chiapas, I have been in San Antonio el Brillante and in Unión Progreso, in the autonomous municipality of San Juan de la Libertad. There, we have heard different testimonies that talk about the escalation of violence promoted by Ernesto Zedillo. I think that Zedillo no longer has control of the administration of this country.

His irrational violence is intended to give examples to the communities about what can happen to them if they don't go along with the economic or social policies he practices. □

## Bosses, Politicians Want to Protect Your Paycheck

*Continued from page 13*

*These restrictions do not apply to any other group — just unions. Politicians would become even more beholden to the corporations and the rich who own them. Paycheck Protection would guarantee a political monopoly by the bosses and their political hacks. Organized workers would effectively be excluded from any meaningful political activity in any form.*

### Who Backs Paycheck Protection?

National coordination of Paycheck Protection is being handled by an outfit called Americans for Tax Reform. When I first heard this I wondered if they extended the right to opt out to federal taxes as well. Maybe I could direct Washington to not spend any of my money on NAFTA or Star Wars without my prior written consent.

But when I checked this group out on the Internet I soon discovered that they have different ideas of tax reform. They share a web nest called "Townhall.com" that also includes the American Conservative Union, the Heritage Foundation,

William Buckley's *National Review*, and the *Ollie North Radio Show*. Their tax reform program seeks to bring some relief to the long-suffering rich. Among their planks are the Super-Majority Amendment, which would require two-thirds votes in Congress to increase taxes; support for Dick Arme's flat tax plan; and total privatization of Social Security.

Dick Arme isn't the only major Republican leader involved in the Paycheck Protection movement. Newt Gingrich, and California Governor Pete Wilson are also on board.

A major bankroller of the nationwide effort is Indianapolis insurance tycoon J. Patrick Rooney. Rooney desperately wants to rip off Medicare funds for "medical savings accounts" administered by his companies. He correctly sees unions as the biggest obstacle to his scheme.

### The Referendum Tactic

Paycheck Protection is facing tough going in Congress and most state legislatures because of opposition from the Democrats. The Democrats get the

lion's share of labor's political spending and this is a significant part of the campaign funds of many elected officials. Even where they are a minority, Democrat resistance can often kill these bills.

That's why Paycheck Protection backers are now staking their future on the outcome of the California ballot proposition. If Proposition 226 passes in our most populous state, they hope it will build a groundswell of support nationally that can sweep aside Democrat obstructions.

California has a history in recent years of approving reactionary ballot propositions. That's where the movement to slash public spending on social programs first got off the ground. This tactic was also successfully used to attack immigrant workers and to roll back Affirmative Action. The California right wing feels cocky and is well funded.

### On to California

California is going to be our Gettysburg in the fight against Paycheck Protection. We need a national mobilization by organized labor of funds and troops to save our political rights. □

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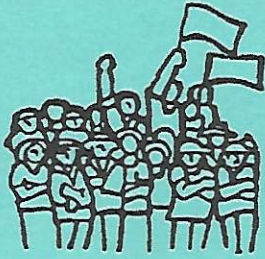
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The Manifesto of the Fourth International

## Socialism or Barbarism on the Eve of the Twenty-First Century

This document was adopted by a meeting of the United Secretariat of the Fourth International (FI) in 1992. It is the product of months of discussion within that world organization and an extensive process of rewriting and revision from an original draft proposed before the FI's World Congress in 1991.

The FI is an international organization of revolutionary Marxist parties and groups from dozens of countries throughout the world. It was founded in 1938 under the leadership of Leon Trotsky, dedicated to a consistent and forthright struggle for the common interests of working people and the oppressed in all nations — to their mobilization in struggle against capitalist exploitation, colonialism, and bureaucratic dictatorship, and against all forms of racial and sexual discrimination.

It should be clear, from the perspectives presented here, that the FI remains true to that purpose today. This, in itself, stands as a major accomplishment in a world where many former leftists and radical activists are rushing to embrace the "new realism" of a capitalism that has supposedly "triumphed over socialism" during the cold war.

But reality is a far cry from the "new world order" proclaimed by U.S. President George Bush after his victory against Iraq in 1991. It is, as the Manifesto points out, a world of increasing disorder — of insecurity, crisis, preventable hunger, poverty, and disease. These things are more the rule than the exception for most of the billions of people on this planet.

In short, we are living in a world that cries out for a renewed commitment to the fight for social change, for a more just and humane political and economic system. Just such a commitment, and a perspective on how those needed changes can be brought about, will be found in the pages of this pamphlet.

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and the realities of world politics in the 20th century.

### Volume Three:

***Rebuilding the Revolutionary Party***  
edited by Paul Le Blanc, 148 pages  
(1990) — \$9.00

This book consists of eight documents. The longest, written in 1983 by Paul Le Blanc and Dianne Feeley, is entitled "In Defense of Revolutionary Continuity" — a response to SWP leader Jack Barnes's attack on Trotsky's theory of permanent revolution. Also included is the founding platform of the Fourth Internationalist Tendency, a lengthy 1988 analysis of the SWP by Frank Lovell and Paul Le Blanc, and two major documents produced by the FIT when the Socialist Workers Party formally broke from the Fourth International in 1990. The volume concludes with three documents dealing with the need for unity among revolutionary socialists in the United States.