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## The People's Xmas Box —

# China's 'Gift'

China's ruling class has handed American capitalism the best Christmas gift it could ever hope to get.

Last month, negotiators in Beijing agreed on a new trade pact that will reduce tariffs and other barriers that have limited American capitalism's access to Chinese markets. American capitalists almost salivated at the prospect. Passing through the Celestial Gate into the Celestial Empire is something American capitalism has been panting after for more than a hundred years.

It might seem ironic to some, but we suspect that if Karl Marx was alive today he might bow his head with regret while giving a reluctant nod of approval.

Just over 150 years ago, Marx wrote that capitalism's rapid development of industrial technology, transportation and communications, coupled with the "cheap prices of its commodities," would eventually batter down all "Chinese walls" of resistance to the emergence of world capitalism.

That, too, may seem ironic to those who believe that it is U.S. capital and U.S. labor that "cheap" foreign products and "cheap" foreign labor are pushing to the wall. Apparently, however, workers in China don't see it that way. It is *cheap American commodities* produced by *cheap American labor* that is causing many in China to fret.

Indeed, one day after reporting what President Clinton said about the new trade pact creating "unprecedented opportunities for American farmers, workers and companies to compete successfully in China's market," ABCNEWS.com reported that, "Ordinary Chinese fretted that foreign competition would destroy jobs by pushing teetering state firms to the edge," while others "in Beijing, despite anxiety over jobs, nevertheless looked forward to cheaper and better goods, especially cars."

So why would Marx bow his head with regret while nodding his approval?

He would have bowed his head in regret because he understood that the growth of 19th-century capitalism into the world capitalism of the 21st century was unstoppable—short of a socialist revolution. Short of that, Marx knew that unfettered capitalist competition on a world scale would translate into a ruthless increase in the exploitation of the working classes of all countries.

Yet, he might have nodded his approval because he knew that capitalist "free trade" on a world scale would finally force workers to understand that capitalism had to be replaced before it reduced them to a state of utter degradation—to what was once called "Chinese cooliedom." As he put it:

"Generally speaking, the protective system in

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# Child Poverty Used to Boost Bradley's Bid for Nomination

In a report released on Nov. 3, the U.S. Census Bureau revealed that over 14 million children in America lived in poverty in 1996. That was the year that Bill Bradley decided not to run for a fourth term as U.S. senator from New Jersey. There are no indications that he demonstrated any special concern for the millions of impoverished, young or old, during his 18 years in the Senate. Nor are there any indications that the high number of children living in poverty got much of Bradley's attention in 1997 or 1998. He was busy protecting himself from any degree of poverty.

In fact, *The New York Times* of Nov. 2 noted that "his federal income tax returns for those two years [1997 and 1998] reveal that he wasted little time after his departure from the Senate in January 1997 in turning his celebrity and 18 years of political contacts into lucrative speaking and consulting income." Bill Bradley's gross income for those two years amounted to \$5.3 million. Over half of it came from consulting fees and paid speeches to audiences consisting mostly of financiers, bankers and health executives. Also included in his 1998 income were consulting fees of \$300,000 from the Morgan Guaranty Trust and J.P. Morgan and \$131,000 from the Gartner Group. In addition, there was income from media appearances, book royalties and visiting professorships at several universities.

To date, Bradley has also raised almost \$20 million in campaign funds, much of it on Wall Street and from the nation's corporate giants. Incidentally,

he has long been known for his fundraising capabilities. In 1990, during his run for a third six-year term in the Senate, he outspent his Republican competitor 15 to 1. That year, the Center for Responsive Politics labeled him "king of the bundlers" for his success in raising "scores of \$1,000 contributions from individuals employed by top investment banks, insurance companies, media concerns and law firms." (*The New York Times*, Oct. 24)

Then, on Oct. 1, speaking in the long-depressed Bedford Stuyvesant section of Brooklyn, Bradley issued what he called "a simple challenge" to eliminate child poverty. He said that for a prosperous America to let 20 percent (or about 14 million) of its children be steeped in poverty was "morally unacceptable" and a "national disaster." He then proposed reducing the number of poverty-stricken children by half during the next decade. He suggested this could be done by raising the minimum wage \$1 in two 50-cent steps over a two-year period; increasing funds for child care programs; working out a plan to give tax benefits to poor people who have jobs; improve schools and after-school programs.

The *San Jose Mercury News* called it "a sweeping high-minded speech" in an editorial printed on Oct. 22. Three days later, the paper declared (editorially again) that in Bradley, "Suddenly the poor have a voice." Yet, it admitted in the same editorial that "Bradley's speech contained no major new ideas." That being so, what about them offered any promise that much of the poverty

engendered by the capitalist system could be eliminated? Certainly not the increased expenditures that Bradley proposes and which are far from guaranteed to be forthcoming. The cost, according to Bradley's estimates, would be \$14 billion and would raise 7 million out of poverty over an eight-year period. The only financing he suggested was that portion of the as yet vague federal surplus not earmarked for Social Security.

Bradley is right in his contention that this nation has the wherewithal to wipe out poverty. But that is true not because the capitalist system in America is allegedly experiencing a period of record expansion. It is true because, by utilizing all the modern equipment available, this nation's working class collectively has the productive and intellectual capabilities to produce a material abundance. That abundance could and would be shared by all in a sane and rational society. In short, what makes poverty such a damning indictment of the capitalist system is that it exists despite the ready availability of the material and human resources that could be used to eradicate it completely.

The capitalist system's inherent contradictions and social evils simply do not permit rational or lasting solutions to the problems it causes—poverty included. LBJ's "War on Poverty" some 35 years ago was won by poverty. It was favored by the economic and material principles that are inherent parts of the capitalist system. Mr. Bradley's

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# Did NATO Deliberately Bomb Chinese Embassy?

According to a report in the London *Observer*, the U.S.-NATO bombing of the Chinese Embassy at Belgrade during the war on Yugoslavia may not have been the "unfortunate accident" that U.S. and NATO officials have given as their official explanation.

In an article printed on Oct. 17, *The Observer* not only suggested that U.S.-NATO war planners were fully aware that the building they ordered demolished by a laser missile attack on May 17 was the Chinese Embassy, but that there was a specific war-related motive behind the decision to level the structure. Apparently, the Chinese Embassy compound also functioned as an intelligence-gathering center that provided assistance to the Yugoslavian military. "According to senior military and intelligence sources in Europe and the U.S., the Chinese Embassy was removed from a prohibited targets list after NATO electronic intelligence (Elint) detected it sending army signals to Milosevic's forces," *The Observer* claimed.

*The Observer* also reported that the well-publicized official explanation that

outdated CIA maps misled U.S.-NATO war planners has been contradicted "by three other NATO officers—a flight controller operating in Naples, an intelligence officer monitoring Yugoslav radio traffic from Macedonia and a senior headquarters officer in Brussels." In addition, *The Observer* claimed that "a source in the U.S. National Imagery and Mapping Agency said that the 'wrong map' story was 'a damned lie.'"

What seemed to stump *The Observer*, however, was why the Chinese would lend Yugoslavia a hand in trying to fend off U.S.-NATO attacks. It offered a possible explanation by noting that, "The Chinese were also suspected of monitoring the cruise missile attacks on Belgrade, with a view to developing effective countermeasures against U.S. missiles." In short, China apparently seized the opportunity the war afforded for gathering important military information for its own purposes, "and the Yugoslavs, having shot down a Stealth fighter in the early days of the air campaign, were in a good position to trade" some useful information about a tech-

nology the Chinese apparently lack. Beyond that, however, "Why the Chinese were prepared to help Milosevic is a more murky question," at least for *The Observer*.

While all this may seem like nothing more than a tempest in the cloak-and-dagger teapot, intrigue and espionage in the service of ruling-class interests fill a role that, in its own way, is as important as overt political, economic and military activities. The U.S., West European, Russian, Japanese and Chinese ruling classes, to name only the most conspicuous, all have material interests that sometimes overlap and complement each other, that sometimes come under stress, but not infrequently break out into open conflicts. Not to know this is to have missed the 20th century, a sizable omission for anyone seriously interested in understanding the class-divided world in which we lie.

At present, a focal point of some of these stresses and strains is the oil-rich Caspian Basin, in which all the countries mentioned have a certain stake. The bombing

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# Mexico's Ruling Party Stages Primary Election

By B.B.

A new twist in the electoral charade unfolding in Mexico—a primary election within the Institutional Revolutionary Party, or PRI—has been acclaimed as an opening toward democracy.

The PRI has ruled that hapless country for 70 years. Of the 58 million registered voters in Mexico, 8 million cast ballots in the recent primary to determine which of four PRI wheel horses would run for the “imperial” presidency in the year 2000. Francisco Labastida, an economist, former governor of Sinaloa and recently federal interior minister, won the election with over 4 million votes.

Labastida was reputedly the choice of now current President Ernesto Zedillo, who, in an effort to bolster the sagging credibility of the party, decided to refrain from the practice of *dedazo*, or fingering (naming) his successor, as was always the practice before.

Fully supporting this farce is the Mexican version of the AFL-CIO, the Mexican Confederation of Workers, or CTM, and an affiliate, the Revolutionary Confederation of Workers and Peasants, which, appropriately enough, has the acronym, CROC. (Indeed it is!)

The CTM's role in the scheme of Mexican capitalism's rule grew out of legislation initiated during the presidency of Lazaro Cárdenas. His regime, from 1934 to 1940, shackled the Mexican working class to the CTM in an arrangement whereby the political state functioned as the reput-



ed arbiter in all of labor's disputes with capital.

Fourteen points established so-called labor peace by requiring consideration for “demands of the workers within the margin offered by their economic possibilities”—the space between a rock and a hard place. In Cárdenas' words, the government would function as “arbitrator and regulator of the life of society,” a concept embodied in fascist ideology known as “corporatism.” Hence, the company that the company union was employed by was the Mexican state. Thus, the PRI created an impregnable bastion of support within the union hierarchy that has for many a presidential six-year term past delivered up a docile work-

ing class.

Cárdenas began to collect on this arrangement when he asked “the labor organizations...[for] consistent cooperation in seeking agreements before going out on new strikes....” Inasmuch as a number of unions had deserted the CTM, including the so-called communist union, the notorious U.S. Stalinist Earl Browder was dispatched to Mexico to urge “solidarity” in the face of the rising fascist menace and to urge them to rejoin the CTM.

This was good news to Fidel Velázquez, who, for 53 years until his death at the age of 97 in 1997, was the undisputed boss of the CTM. This posturing phony solidified the link to the PRI in 1947, coinciding with

his change of the CTM slogan from “For a Classless Society,” to the chauvinist “For the Emancipation of Mexico.” He acquired the reputation as “a lackey for the interests of the government in collusion with big business.” His sellouts were on a par with those of the AFL-CIO.

The effects of those sellouts are graphically depicted in an article in *The Economist* of Oct. 23. Therein are shown two graphs. One is labeled “Docile, Total number of strikes.” It shows a decline of from about 90 in 1995 to 22 in 1999. The other is entitled “Downbeat, Mexican average real wages, Sept. 1994 = 100.” Real wages plummeted from 100 to 72 from 1994 to 1999.

“For most of seven decades of the PRI's rule, the unions have had cozy relations with the government,” *The Economist* noted. “They have assured labor peace in difficult times, and votes at elections. In return, their leaders have gained high political office, and wealth.” The magazine added that Fidel Velázquez “provided the PRI's system with a vital element of continuity”—preventing “labor unrest practically single handedly.”

Now leadership of the CTM has been assumed by Leonardo Rodríguez Alcaine, one of Velázquez's former henchmen—and it's “business as usual.” Rodríguez fell right in line with support of Labastida.

Whether the Mexican working class can emerge from the brewing cauldron of poverty, crisis and social unrest gripping the country remains to be seen. One thing is certain, the downward spiral of capitalist society must impel their progressive forces in lifting society upward or their impoverishment will seek that intolerable limit.

## ...China's 'Gift'

(Continued from page 1)

these days is conservative, while the free trade system works destructively. It breaks up old nationalities and carries antagonism of proletariat and bourgeoisie to the utmost point. In a word, the free trade system hastens the social revolution. In this revolutionary sense alone...I am in favor of free trade.”

The Socialist Labor Party cannot stop world capitalism from creating even more misery on a global scale than it already has. Only the working class can do that. What the SLP can do, however, is hasten the day when workers will come to the realization that they must act to end capitalism and build socialism. The SLP can do that *provided* it receives the full support of all those who appreciate the urgency of the times and the need to spread the socialist message.

One way to help the SLP in that work is to contribute to *The People's* annual Xmas Box fund. Please use the coupon on page 6 to help us alert the working class to what capitalism has in store for them and what they must do to prevent it.

# New York Mayor Wants To Dump the Homeless

By B.G.

New York City Mayor Rudolph W. Giuliani has cultivated the image of the macho-man, tough-on-crime, tough-on-everyday-annoyances mayor who is making life in the city happier for everybody. Those who have felt his heavy-handed “justice” are the welfare recipients, hot dog vendors, jaywalkers, double-parkers, drivers of cars that block the intersections, and the squeegee men who pounce on cars stalled in traffic, clean their windshields and then demand a payment.

Now the mayor has found some new wretches to feel his wrath. He is threatening to drive the homeless out of city-operated shelters unless they shape up and find a paying job somewhere. Otherwise, he will dump them onto the streets and dump their children into foster care.

The homeless are often profoundly disturbed emotionally, and as a consequence are unable to provide for themselves and

their families. Some are women fleeing from abusive husbands and seeking a safe shelter for themselves and their children. Some are addicts needing intensive help to work their way out of this problem. Others are already working, but not earning enough to move into private housing, or even into city-sponsored housing.

According to Mary Brosnahan, director of the Coalition for the Homeless, 40 to 50 percent of those in homeless shelters are there “by reason of social dysfunction.” For nearly 20 years, this group has been recognized as needing long-term help from the city's homeless program.

According to Ms. Brosnahan, “That's the group that Rudy is trying to carve out, target, eliminate, frankly, from the protection of emergency bedrock shelter. And that chills me to the bone because it's exactly that group that is the most difficult to deal with, and that will wind up on the street.”

Already, the mayor has cracked down on welfare recipients, demanding that they find paying jobs to pay for their welfare income. These jobs are often dead-end jobs that lead nowhere and train the welfare recipients for nothing permanent. Some are jobs cleaning the streets, but without the protective clothing and gloves that regular city Sanitation Department employees use, and without the same pay scale. This is the same pattern that Giuliani is seeking to fasten on the people in the homeless shelters—work for little or nothing in a city job (replacing a union employee) in order to pay for your keep or else get a “real” job somewhere on your own—and quick!

Giuliani is preparing to run for U.S. senator from New York because, by law, he cannot succeed himself as mayor and he wants another high-profile job. He is mak-

ing trips throughout the state bragging about how he has cut the city welfare role by more than 400,000 people. But he does not tell his admiring audiences that two-thirds of these 400,000 were children. And he doesn't tell about the bungles that threw families off the welfare rolls improperly. Martin Oesterreich, commissioner of Homeless Services, readily admitted that mistakes were made in throwing some families unfairly off the welfare rolls, and he fears that the same thing might happen with families in homeless shelters.

If Giuliani is fortunate enough to be elected as New York's next U.S. senator next year, he can join the rest of the Republican Neanderthals in the Senate. It will be a club of kindred spirits.

## Abolition of Poverty

By Daniel De Leon

An examination of capitalism and its philosophical “justifications” as presented by a Jesuit priest. Contrasts socialism's materialist conception of history with class society's “idealism.”

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# Daniel De Leon's Revolutionary Program

The Socialist Labor Party describes itself as *Marxist-De Leonist*. It is *Marxist* because it is based on the fundamental principles of scientific socialism—the law of value, the materialist conception of history and the class struggle—and because it aims to achieve the Marxist goal of a free and democratic society where class rule and the ruthless exploitation of human labor for private profit are ended.

It is *De Leonist* because its clear-cut tactics and well-defined understanding of the socialist goal and how to achieve it are, to a very large extent, the work of Daniel De Leon.

De Leon, who was born 147 years ago December 14, was editor of *The People* from 1892 until his death in 1914. It was during the first 13 years of this period that what is now rightly called the *De Leonist program* for achieving the Marxist goal was fashioned with the hammer of Marxist science on the anvil of American experience and American political and economic conditions.

## Socialists Are Revolutionists

The SLP is a *revolutionary* party. It holds that capitalism has outlived its usefulness to humanity and now causes more harm than good. Therefore, the goal of the SLP is to end capitalism and to establish socialism. It does not aim at “improving” capitalism or at patching it up. That is the aim of reformers and so-called social democrats, some of whom seem to think of socialism as a purified or decontaminated version of capitalism. Not so the SLP.

“We Socialists are not reformers; we are revolutionists,” said De Leon. “We do not propose to change forms. We care nothing for forms. We want a change of the inside of the mechanism of society....” (*Reform or Revolution*)

## Revolutions Are Constructive

Some people think of revolutions as violent and destructive things. All revolutions have their destructive side, of course, but that is incidental to their purpose.

Revolutions aim to replace the old with the new, what is outworn and reactionary with what is new and conducive to progress.

The French Revolution, for example, aimed at destroying the tyranny of monarchy because that was necessary to build a

new and more democratic form of government. Our own American Revolution aimed at ridding our country of rule by a foreign tyrant because that was necessary to establish a new government on the principle that government should be based on “the consent of the governed.”

Revolutions occur when it becomes apparent that things cannot go on as they are. Those in power rarely see it that way. Their resistance to change has most often been the source of what is mistakenly called “revolutionary violence,” but what in truth has most often been *reactionary violence*—the last-ditch effort of a ruling class to keep its power. Again, our own American Revolution offers an illustration.

Had the English withdrawn their army when the 13 colonies declared that they “are and of right ought to be free and independent states,” who believes the colonists would have attempted to invade England for the sake of delivering their revolutionary blow? The idea is as ridiculous as it would have been impractical, but it is enough to show that violence and revolution are not two words that mean the same thing. As De Leon explained: “Reform means a change of externals; revolution—peaceful or bloody, the peacefulness or the bloodiness of it cuts no figure whatever in the essence of the question—means a change from within.”

The Marxist-De Leonist program of the SLP is revolutionary because it aims at a fundamental “change from within.” An important feature of that program is the stress it lays on *peaceful* and *civilized* methods. This feature is deserving of special emphasis for several reasons.

## ‘Legality’ and Revolution

The SLP recognizes, for example, that in countries having neither a bill of rights nor a constitutional amendment clause, force

and violence may be the only avenue left open to the oppressed masses. In the United States, however, the right to preach and teach the need for a fundamental social change is still guaranteed by the Constitution’s first amendment, and the right of the people to bring about such a revolution is embodied in the Constitution’s amendment clause, Article V.

“The amendment clause in the Constitution,” wrote De Leon, “is the legalizing of revolution.”

Among anarchists, romanticists and “radicals” of various stripes, it has always been the fashion to sneer at tactics that are legal. Under certain historic conditions illegal tactics were called for. Therefore, reason the anarchists, et al., illegality is an essential feature of revolutionary activity even where conditions favor legal tactics.

It was Frederick Engels who supplied the incisive answer to the anarchists. Writing in *Neue Zeit* in 1892, Engels asserted that it was a “fact that at this moment it is not we whom ‘legality kills.’ On the contrary, it works very nicely for us so that we would be fools to do it violence so long as things go the way they do.” Three years later, in his introduction to Karl Marx’s *Class Struggles in France*, Engels said: “The irony of history turns everything upside down. We, the ‘revolutionists,’ the ‘upsetters,’ we thrive much better with legal than with illegal means in forcing an overthrow. The parties of order, as they call themselves, perish because of the legal conditions set up by themselves.”

## Civilized Methods

However, neither De Leon nor the SLP ever made a fetish of legality. De Leon made this clear in the remarkable series of editorials—printed in the pamphlet *As to Politics*—dealing with anarcho-syndicalist attacks on the political action clause in the

preamble to the constitution of the original Industrial Workers of the World (IWW). One of De Leon’s antipolitical correspondents had repeatedly referred to the alleged “legal” methods advocated by *The People*, whereupon De Leon replied:

“*The People* is not troubled with the thought of ‘legality.’ *The People* planted itself upon the principle of ‘civilization.’...Political action is the civilized, because it is the peaceful method of social debate and of ascertaining numbers.”

Earlier, in his great speech explaining the preamble of the original IWW (*Socialist Reconstruction of Society*), De Leon said: “Inestimable is the value, dignified the posture of the political movement. It affords the labor movement the opportunity to ventilate its purposes, its aspirations and its methods, free, over and above board, in the noonday light of the sun, whereas otherwise, its agitation would be consigned to the circumscribed sphere of the rat hole. The political movement renders the masses accessible to the propaganda of labor; it raises the labor movement above the category of ‘conspiracy’; it places the movement in line with the spirit of the age, which, on the one hand, denies the power of ‘conspiracy’ in matters that not only affect the masses, but in which the masses must themselves be intelligent actors, and, on the other hand, demands the freest of utterances. In short and in fine, the political movement bows to the methods of civilized discussion: it gives a chance to the peaceful solution of the great question at issue.”

## Workers Must Organize Industrial Power

The Socialist Labor Party still aspires to this *peaceful solution*. It recognizes, as De Leon did, that the capitalist class is ruthless and that it has an infinite capacity for chicanery. It understands, therefore, that although the socialist ballot is “a weapon of civilization” and “the emblem of right,” it cannot by itself cause the capitalists to relinquish their property and privileges. Behind the ballot the working class must be organized industrially. It must be united in a union that aspires to socialism and is prepared to back up the ballot by taking and holding all the means of social production and by locking out the out-voted capitalists.

This is the De Leonist, and hence also the Marxist, program for a peaceful revolution in America; that is, it is the program that offers the greatest latitude for a peaceful revolution. It is based squarely upon the revolutionary heritage of our country and the revolutionary principle embodied in its Constitution, and it thereby offers the revolution the maximum protection of law and tradition while gathering its forces. However, while the De Leonist program raises the hope of peaceful revolution, it is also one that provides against all eventualities, including the eventuality that the capitalists may, without allowing the socialist vote to be registered, launch a St. Bartholomew’s night against the workers, and by a campaign of terror seek to fasten a totalitarian despotism upon them. While stressing peaceful and civilized means, De Leonism also stresses the vital role of the Socialist Industrial Union—the workers’ power.

## De Leon’s Goal: A New Society

The goal of the Socialist Labor Party, and the goal of all who are emancipated from capitalist ideology and who aspire to a free and sane world, is a society where the workers may have democratic control of their tools and products. De Leon’s concept of a government based on industrial constituencies provides shape and definition to this goal. That program, calling for political action backed up by the power of the Socialist Industrial Union, provides the American workers with the Marxist tactics for reaching it.

255075 100 years ago

### Political and Economic (*The People*, Dec. 31, 1899)

Says the *Citizen and Country*:

“Man is the most ferocious of all animals. A hyena will kill its kind in anger or in a battle over food; but man is the only creature under heaven that goes forth with a full stomach to kill thousands of his fellow creatures with whom he has no quarrel and whom he has never seen.”

From which the only inference is that ferocity is more of a human than a beast feature; which is absurd. But it is not simply the absurdity of the zoology or the greater absurdity of the idea that shocks; either were of comparatively little importance. The really shocking feature of the utterance is the false sociologic principle that it points to, to wit, that the seat of the social evils, complained of by humanity, is the heart of the race. It is this absurd principle that the wind-jamming reformer has in mind when he preaches against “greed” as the cause of all evil, and it is that very absurd principle that the sanctimonious capitalist seizes upon when he urges people to first improve human nature, and then, after it has been improved, vote the capitalist system down—leaving the capitalist class, of course, all the while in quiet possession and enjoyment of the fruits of unimproved human nature.

Man is not the most ferocious of all animals. What man is is a being gifted with foresight. Want is an immediate suffering; the lowest as well as the most highly developed animal feels that; to satisfy the prompt-

ing of want is the moving spring of all animals. But “fear of want” is an equally pressing ill; that ill most animals do not feel; they seem not to be endowed with the foresight requisite therefore; not foreseeing want, where none presses upon them, most animals care not for the food that they have no immediate use for. Man, endowed preeminently with foresight, is preeminently subject to the torture of the “fear of want,” and that torture has a sharper talon than want itself: to the physical, the mental force is added. In his acts of refined and unrefined cannibalism, man but proceeds from the material basis of material needs.

Human nature, meaning the impulses of man, are reflections of his material groundwork. —N.K.

## ... Bradley

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“war” will suffer the same fate.

While the extent of childhood poverty per se invites attention and comment, it is not only relevant, it is obligatory, to point out that the standard of living of American workers as a class, and consequently of their families, is well below what it could be considering the productivity of the American working class. And that productivity would be even greater when the duplication, waste and anarchy of capitalist production for profit are replaced by socialist cooperative production for use. —N.K.

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## Time to Choose!

A variety of groups claiming to represent the interests of workers have plans to stage a massive protest in Seattle on Nov. 30 to coincide with the opening day of the Third Ministerial meeting of the World Trade Organization (WTO). The WTO is the organized advocate of international capitalist elements who support "trade liberalization policies," or "free trade," and the arbiter of conflicts over the terms of GATT—General Agreement on Tariffs and Trade.

Free trade, of course, is a misnomer. There is nothing free, open or accessible about trade under capitalism. Trade under capitalism is the capitalists' concern, not the workers' concern, and the capitalists aim to keep it that way.

Capitalist trade is competitive, and that goes regardless of what "free trade" or "protective" measures may be in place at any given time. It is not a matter of swapping this for that—of a fair and open exchange—but of sticking it to *them* before they stick it to *us*. Protective tariffs and free trade are merely different sides of the economic club political states wield against "the competition" when trying to advance the international interests of their respective ruling classes.

Workers have no more say over any of this than they have over anything else that does not belong to them. Workers do not own the state or the industries, and they have no meaningful say over either of them. Occasionally, however, it serves the interests of capitalists who do own the industries to make it appear that they have nothing but the workers' interests at heart when what they really want is to escape being on the receiving end of the club of international capitalist competition. At bottom, this is what the Seattle protest is all about.

Many groups have issued calls for workers to come to Seattle to join the protest, most of them under the guise of protecting jobs, protecting the environment or "socially responsible investing." The Web site of the Seattle WTO-Mobilization Against Corporate Globalization says, "We are a group of international, national and Seattle groups who have come together to oppose the destruction of people and environment that untrammelled free trade promises." It encouraged workers "to come to Seattle to be counted in our call for the involvement of civil society in the assessment of the impact of the WTO on people, governments and the environment."

The AFL-CIO, through its Web site, spoke of working families coming together "at Seattle's Memorial Stadium to make their voices heard for new rules to make the global economy work for working families." "This," said the AFL-CIO, "is the best opportunity working families have had in decades to change the rules for international trade and investment and stop the global race to the bottom."

Is it really?

Even if the WTO meeting—or the demonstrations outside—were the "best opportunity...to change the rules for international trade and investment," such changes couldn't do much for workers. This is not to deny that some basic U.S. industries are shipping production and jobs overseas

and cloaking themselves in the dress of their supposed "foreign" competitors. Nor is it to deny that international capital, "untrammelled" by any sort of regulation, is likely to more rapidly reduce our remaining forests to barren landscapes and speed up other environmental degradation. Domestic capital has done a pretty good job of both all by itself. Lest we forget, American capitalism was built behind a wall of 19th-century protective tariffs, and that was the century in which it stripped most of our forests and much of our other natural resources away.

Likewise with massive dislocations of workers. These, too, are a feature of the *capitalist system*, not merely a side effect of one trade policy that would be absent under another trade policy.

Not many capitalists today cry out for protective tariffs to keep foreign commodities off U.S. markets. That is because American capitalism, by and large, is more competitive than its foreign rivals. It is more competitive because American labor, on the whole, is still the most productive on Earth, which is only another way of saying that American capital exploits American labor more efficiently than any of its rivals.

There are exceptions, such as the steel industry, of course, and where deemed expedient the government has made, retained or restored certain protective measures. However, that is no foundation for the conclusion that such measures protect American jobs. Sticking to steel, according to the refrain sung by the AFL-CIO and steel capitalist duo, the 10,000 steelworkers who lost their jobs over the last year would not have lost them if not for Japanese and other foreign steel being "dumped" onto the American market.

Fact is that over the last 25 years or so, the U.S. steel industry has done everything it could to replace its entire steel producing plant with new technology specifically designed to eliminate jobs, reduce labor costs and place itself on a more competitive basis, i.e., to make its steel as cheap and dumpable as any cheap and dumpable steel could be. And in the doing, it turned large sections of Ohio, Pennsylvania and other states of the "industrial corridor" into a "Rust Bowl" that was the graveyard, not only for outmoded plants, but for tens of thousands of jobs in the steel, iron and ancillary industries. American steel simply wants to become more competitive in world trade. That means improving productivity, which means kicking workers out of jobs. Workers lose either way.

The choice for workers is not free trade or protection. The choice is between capitalism and socialism. It is between continuing as wage slaves yoked to capitalist interests and building a movement to reconstruct society on truly democratic lines.

It is high time that American workers stopped protesting the effects of capitalism. It is past time for them to recognize their revolutionary mission as a class, and to shake off the blinders that make them play things in the hands of a manipulative and self-interested class of social parasites. —K.B

## Letter Box



RYAN, "CYBERSPACE"—You wanted to know if the fascists and Nazis of Italy and Germany were Socialists. The answer is that they were not.

Some of the most important differences are:

1) Fascists and Nazis glorify the political state, whereas Socialists call for its abolition and the creation of an entirely new form of government—an industrial or economic democracy.

2) Fascists and Nazis appeal to racial prejudices and scapegoat racial minorities—particularly Jews—to explain away social problems. Socialists, however, reject all forms of racism and call upon the workers of all countries to unite. Contrast fascist and Nazi appeals to race conceit to the famous lines from the *Communist Manifesto*—"Workers of all countries, unite! You have nothing to lose but your chains. You have a world to gain."

There are many other differences that separate Socialists from fascists and Nazis. The latter support capitalism, a system under which a small minority of the population own and control the things everyone needs to feed, house and clothe themselves—the economy, for short. Mussolini even called his ideal the "Corporate State." Socialists oppose capitalism and its private (and sometimes government) ownership of the means of production, communication, transportation, etc.

The fact that the German Nazis used the word socialist in the name they gave to their party frequently confuses people. It certainly did a lot to confuse many workers in Germany. To understand what socialism really means, however, it is necessary to read some of the things that Karl Marx, Frederick Engels and Daniel De Leon wrote on the subject. The SLP has a recommended reading list you may want to take a look at. Visit our Web site ([www.slp.org](http://www.slp.org)) and tap on "The SLP's Publishing Arm, New York

Labor News." There you will find "Socialism for Beginners," which includes a brief statement on some pitfalls to avoid when learning about socialism and the list of recommended reading mentioned.

M.H., "CYBERSPACE"—The answer to your question is that there is no connection between the Socialist Labor Party and the Socialist Workers Party. The SLP was organized in 1890 and is the original party of socialism in America. The SWP, which was set up in 1928, is an offshoot of the Communist Party.

Our archives (and those of many other political organizations and trade unions) are on deposit with the State Historical Society of Wisconsin. Although there are certain restrictions on use of the archives, a large portion of them are open to researchers. The State Historical Society of Wisconsin can be contacted on the World Wide Web at [www.shsw.wisc.edu](http://www.shsw.wisc.edu).

R.H., "CYBERSPACE"—You use the phrase "human nature" as if you know what it means, even though you contradict yourself.

Whatever is human nature must apply to all human beings. It cannot apply to some and not to others and still be human nature.

You say, for example: "In every civilization there [have] always been rich and poor." Was it human nature to be rich, or was it human nature to be poor? Obviously it could not be both and still be human nature.

You contend that "there will always be greedy and corrupted people," suggesting not only that greed and corruption are a part of human nature, but that such impulses as generosity, selflessness, honesty and a host of other positive attributes violate human nature. If that is true, how do you explain acts of selflessness, self-sacrifice and honesty? How do you

(Continued on page 6)

## what is socialism?

Socialism is the collective ownership by all the people of the factories, mills, mines, railroads, land and all other instruments of production. Socialism means production to satisfy human needs, not, as under capitalism, for sale and profit. Socialism means direct control and management of the industries and social services by the workers through a democratic government based on their nationwide economic organization.

Under socialism, all authority will originate from the workers, integrally united in Socialist Industrial Unions. In each workplace, the rank and file will elect whatever committees or representatives are needed to facilitate production. Within each shop or office division of a plant, the rank and file will participate directly in formulating and implementing all plans necessary for efficient operations.

Besides electing all necessary shop officers, the workers will also elect representatives to a local and national council of their industry or service—and to a central congress representing all the industries and services. This all-industrial congress will plan and coordinate production in all areas of the economy. All persons elected to any post in the socialist government, from the lowest to the highest level, will be directly accountable to the rank and file. They will be subject to removal at any time that a majority of those who elected them decide it is necessary.

Such a system would make possible the fullest democracy and freedom. It would be a society based on the most primary freedom—economic freedom.

For individuals, socialism means an end to economic insecurity and exploitation. It means workers cease to be commodities bought and sold on the labor market and forced to work as appendages to tools owned by someone else. It means a chance to develop all individual capacities and potentials within a free community of free individuals.

Socialism does not mean government or state ownership. It does not mean a state bureaucracy as in the former Soviet Union or China, with the working class oppressed by a new bureaucratic class. It does not mean a closed party-run system without democratic rights. It does not mean "nationalization," or "labor-management boards," or state capitalism of any kind. It means a complete end to all capitalist social relations.

To win the struggle for socialist freedom requires enormous efforts of organizational and educational work. It requires building a political party of socialism to contest the power of the capitalist class on the political field and to educate the majority of workers about the need for socialism. It requires building Socialist Industrial Union organizations to unite all workers in a classconscious industrial force and to prepare them to take, hold and operate the tools of production.

You are needed in the ranks of Socialists fighting for a better world. Find out more about the program and work of the Socialist Labor Party and join us to help make the promise of socialism a reality.

# Before There Was Microsoft...

Silicapitalism, if we may call it that, went silly last month when a federal judge issued a 207-page ruling in which he found that, "Microsoft has demonstrated that it will use its prodigious market power and immense profits to harm any firm that insists on pursuing initiatives that could intensify competition against one of Microsoft's core products."

Some Silicon Valley companies threw parties in celebration of the judge's findings. From another part of the country, the CEO of what one report described as "an upstart rival to Microsoft's Windows" said:

"The fact that Microsoft holds a monopoly for desktop operating systems is painfully obvious to anyone in this industry."

Judge Thomas P. Jackson's "finding of facts" has raised new interest in the meaning of monopoly and the antitrust laws that are supposed to inhibit certain "restraints on trade." Those laws date from the Sherman Anti-Trust Act of 1890, which was meant to outlaw "every contract, combination in the form of trust or otherwise, or conspiracy, in restraint of trade or commerce among the several states, or with foreign nations."

Ostensibly, antitrust laws also are supposed to help "consumers" by stimulating competition and, thereby, lowering prices. However, the only price that competition ever lowered was the price of labor power, or wages. Lower wages mean a lower cost of production, and it is that lower cost of production that allows one capitalist to compete by underselling another.

What antitrust laws are really meant to restrain is the concentration of capital, a process as natural to capitalism as competition itself. The only consumer they are meant to help is the capitalist consumer of the commodities needed to run their

own industries.

"The trust...eliminates competition only in one branch of industry, and in doing so provokes greater antagonism between itself and the trusts producing the other commodities," Daniel De Leon observed in a 1904 editorial. "In the nature of things it so happens that every trust is also a consumer as well as producer. The cotton mill trust, for instance, consumes cotton, coal, machinery, oil and other requisites of cotton mills. While the cotton mill trust strives to produce as little as possible and supply the market at the highest prices obtainable, it wants on the other hand an 'overproduction' of the articles which it consumes in manufacturing.

"The failure of one trust to free itself by ordinary means from the 'tyranny' of another trust, leads it to enter the field as the producer of its own raw material. An interesting fight of this kind is just at present being waged by two of the industrial giants of the country..."

That in essence is what the Microsoft case was really all about. As *Business Week* put it after the judge issued his ruling: "The climate of fear surrounding Microsoft hasn't completely dissipated...not by any means. PC makers are still reluctant to speak out against their sole supplier. Yet privately, some let 'er rip. Microsoft doesn't have friends among its customers; it has hostages," says the CEO of one PC company."

There is a second aspect to the Microsoft case that should be mentioned, even if only in passing. *Business Week* touched on it when it speculated that "by the time the U.S. Supreme Court rules on a Microsoft appeal—the longest route to resolution—in 2002 or 2003, technology will have moved far beyond the desktop PCs where Microsoft built its monopoly power."

While anything that Karl Marx may have had to say on the subject would be anathema to *Business Week*, it was Marx who summed this up best when he correctly observed that, while "competition breeds monopoly; monopoly, in turn, breeds competition."

There is yet a third aspect to the Microsoft case or, rather, to the question of concentrated capital. That third aspect doesn't touch on the economics so much as on the sociology of the question.

As noted, the Sherman Anti-Trust Act was enacted in 1890. Nonetheless, according to *The American Encyclopedia of Facts and Dates*, by 1896 "seven-eighths of America's wealth [was] controlled by one-eighth of its people."

It was against this background of increasingly concentrated wealth and power, despite the antitrust law, that the *New York Independent* invited eight writers to contribute to a series of articles on "The Trust." We don't know seven-eighths about who those writers were or what they had to say on the subject. However, one of the eight was Daniel De Leon, editor of *The People*. His contribution, "The Trust—From the Socialist Standpoint"—was printed by the *Independent* on March 4, and reprinted in *The People* of March 14, 1897.

De Leon's article on the sociology of the trust was also reprinted in *The People* of May 1, 1899, and two years later in the *Daily People* of Aug. 19, 1900. In 1903 it was chosen as one of three selections included in the SLP pamphlet *The Trusts*.

No record exists of De Leon's article having been reprinted after the 1903 pamphlet. We are pleased to end the drought by including it here as we mark the 147th anniversary of De Leon's birth on Dec. 14, 1852.

—Editor

## The Trust— From the Socialist Standpoint

By Daniel De Leon

What is the trust?

The trust is essentially a tool of production. The difference between the trust and the oldest style of privately owned tool, seen now only in museums, is a difference, not of kind, but of degree.

Man is a tool-using animal. The tool adds inches to his stature over nature by increasing the productivity of his labor. The same instinct that led man to fashion the first tool pushes him on to improve it. The more perfect the instrument of production, the more abundant are the fruits of labor. The trend of civilization is to render the product of labor so abundant that the burden of arduous toil, together with want or the fear of want, for the material necessities of life may be lifted from the shoulders and the minds of man, and, thus raised above animal needs, his individuality, his intellectual and moral faculties may have free play. The rungs of the ladder, up which man climbs towards civilization, are the ever more perfect tools of production.

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The development of the tool, or instrument of production, is twofold. It gathers power individually; it also gathers power collectively, by concentration.

The tool gathers power individually by keeping lively step with the discoveries of science and the maturing genius of man; the old handloom becomes a steam and Northrop loom; the old agricultural implements become steam plows, reapers and harvesters.

The collective power, however, of the tool is gathered by a bitter experience. In the course of its growth, the tool encounters a

serious obstacle, that threatens it with nullification. Its aim, the increase of the store of wealth, is for a time balked. The tool is a weapon against the foe of the race—poverty. The wastefulness of competition turns the weapon's edge against itself. Only a long and bitter experience taught the lesson and suggested the remedy—concentration. The discovery once made, it points and paves the way to further improvements. First is born the partnership of two individuals; then follows the partnership of two or more partnerships—the corporation; next appears the partnership of several corporations—the trust.

The trust is that doubly developed instrument of production that combines both the highest individual and the highest collective development so far reached. It brings the productivity of human effort up to the highest point so far attained by the individual perfection of the tool. As such, the trust raises man to giant's stature over nature; it is a weapon that makes for civilization.

But this is not the whole truth.

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It is not over nature alone that the tool adds inches to the individual; it also adds inches to him over the toolless man. This pregnant socio-economic fact does not from the start manifest itself.

So long as the tool is slight and simple, he who wants it can readily bring it forth by the direct application of his labor to nature, and thereby place himself on a par with whomsoever already is in possession of its equal. But the tool develops. Its development is not from within, like organic matter. The feature of its development is the need and increasing need of other tools,

cotton harvester, etc., and even long before that, none can any longer himself conjure forth its equal out of nature. When to this individual growth is coupled the collective development or concentration implied in the trust, free competition ceases de facto, whatever it may remain in theory.

The trust is the highest form of collective development the tool can reach under the system of private ownership in the machinery of production. But the gigantic powers it wields over nature accrue to those only who hold it; to all others it becomes a scourge. As such, the trust blocks the nation's path on its march to civilization.

Once the tool has reached this stage, it stands transmuted into a social-industrial power that emphasizes the changes which society has been undergoing since the privately owned tool first appeared, especially since the time when it entered upon the period of its rapid development; it carries these changes further, and it forces to the fore a new social problem.

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We love to think that the Revolutionary Fathers gave our people political freedom. They did not. The ballot was conditioned upon property qualifications. This simple fact is of deep import in the study of the problem presented by the trust.

Then the tool of production was slight; it was easily acquired; and, consequently, property was the ready reward of industry. At such a time the role played by property was not yet manifest; indeed, it escaped the Revolutionary Fathers, except the two wisest and most far-seeing of them all—Franklin and Madison. At that time, accordingly, economic issues were absent from our party platforms; the people divided on issues essentially political. With the turning of the century a change comes over the surface; economic questions force themselves more and more to the front; they were prominent during the Jackson administrations; they became dominant in the Harrison-Van Buren campaign; today they are the all-absorbing topic. This change in the physiognomy of our politics has followed closely, and has been brought on by the development of the tool under the system of private ownership.

Competition is predicated upon the capacity of competitors to sell equally cheap; this capacity depends upon the power to produce with equal abundance, and this, in turn, is in direct ratio to the development of the tool. With the approach and appearance in the country's industrial arena of a tool, privately owned and so far developed that its creation by those without it was no longer feasible, these ceased to be qualified for the competitive warfare, and the commonwealth began to be differentiated into three hostile social classes:

First, the proletariat—the wholly toolless class, who, no longer able to exercise their labor function without access to tools not owned by themselves, are reduced to the level of merchandise, and compelled to sell their labor power in the labor market for a living;

Second, the middle class—the class who, though armed with tools sufficiently powerful to exclude the toolless class, find it harder and harder to hold their own in competition with the more powerful and ever-perfecting tools held by the class above; and,

Third, the capitalist class—the class who, possessed of the prerequisites for successful competition, can shift work from their own to the shoulders of the proletariat; can live in idleness upon "profits"—i.e., upon the difference between what their employees produce and the "wages" paid to them—i.e., the market price of labor; and can, with their more abundant and cheaper production, undersell the class below and reduce it to the grade of proletarians.

These class distinctions—proletarian dependence, deepening misery and increasing numbers; middle-class precariousness of existence, declining powers and ruin; capitalist idleness, swelling affluence and masterhood—together with the class conflicts into which capitalism casts society, long remained

(Continued on page 6)



The People

Daniel De Leon

besides increased powers of steam and electricity, to carve it out of nature with, and thus render it more potent by rendering it more fruitful. The tool used in production presently needs two, three, four other tools to bring it forth. Even then its acquisition by individual man, to the end of enabling him to compete with those already in possession of its like, may not be impossible, though the process becomes harder by degrees. When, however, the tool has finally reached that individual perfection of a Northrop loom, a Mergenthaler typesetter, a hydraulic press, a steam plow, reaper and binder, a Westinghouse electric engine, a

# ... Contrasts in Australia

(Continued from page 8)

wards U.S.-style share option packages on top of salary and cash bonuses."

In an accompanying table, *The Financial Review* listed the remuneration of the 10 top "earners." They go from \$18.8 million for number one, to \$2.08 million for number 10.

No wonder the capitalist class loves their system—and it is *their* system. It is organized totally for

their benefit at the expense of the working class. For although the workers supply all the socially necessary labor power, they get in return only a pittance when compared to what is stolen from them. Today's massive inequality is an inevitable result of the capitalist system. The only way to achieve an equitable society is to abolish the private ownership of the means of production and replace it with social ownership, in a

word, socialism.

The SLP has the most advanced and civilized program for achieving the emancipation of the human race ever conceived in keeping with the highest, most noble aspirations of humankind.

We owe it to ourselves and to future generations to study and implement this program of Socialist Industrial Unionism formulated by the American Marxist, Daniel De Leon.

# ... Letter Box



(Continued from page 4)

explain, for example, the voluntary actions of people who risked their lives to dig other people out from under the rubble in Turkey? How do you explain their violation of their "human nature"?

You ask, "Who will give up their right to own a business or a piece of land?" The suggestion is that the "right to own a business or a piece of land" is human nature. If that is true, capitalism must be against human nature because most people do not "own a business or a piece of land," and never will.

Fact is that human nature embraces all of these things, and that those that rise to the top at any given time or with any given individual are a direct reflection on their social surroundings—surroundings that have been changed more than once in history as new possibilities unfold. Remember, there was a time, not so long ago, when it was thought to be against human nature for women to vote, for African Americans to be free, for countries to live without kings and queens—all of which proved to be false.

The idea that socialism is against human nature is very old and no better for its old age.

L.S., FT. LAUDERDALE, FLA.—Socialists reject anti-Semitism, as they reject all manifestations of racist and ethnic prejudice on the basic Marxist principle that calls upon the workers of the world to unite for their emancipation from capitalism and wage slavery, regardless of their national or ethnic background. Anti-Semitism is

particularly repugnant to Socialists for another reason, namely because Karl Marx and Daniel De Leon were both Jewish in origin.

R.H., ARLINGTON, TEX.—There is a political organization in Britain that calls itself "Socialist Labour Party." However, it is not the De Leonist or Marxist SLP we think you had in mind. It is a recent split-off from the Labour Party that now administers the British government. Unfortunately, *The People* has not been able to offer its readers a thorough analysis of this new "SLP" what it stands for and how it differs from the original British SLP. However, a brief editorial appeared in our issue of August 1996, under the heading of "Stealing Our Shadow."

R.N., WOODSIDE, N.Y.—Although the war is over the reasons behind it are still with us. We don't know how many of the leaflets you have left over, but one way to dispose of some of them might be at a local library. Many public libraries these days have tables or display racks where handouts and newspapers can be placed in reasonable quantities for library patrons to take for free. The SLP encourages its members and other supporters to take advantage of these outlets, and many do.

We must confess that we do not follow the activities of Elie Wiesel. From what you say regarding his observations on the war, however, we must suppose he is among those who saw a parallel between the "ethnic cleansing" in Kosovo

and the horrors that the Nazis committed in the 1940s.

The path to socialism passes through capitalism. There is no other way to get there. It cannot be flanked or leaped over. Capitalism creates the conditions that lead to many horrors, as have all forms of class rule. Not all those who apologize for it are necessarily hypocrites. They may simply fail to see that history is still being made, not just along the edges of capitalism in places like the Balkans, but also—and more especially—in the industrially advanced countries. What they see in America or Western Europe strikes them as better than what they see in such places as Yugoslavia, Russia, China and other places that have not gotten as far down the road of development that leads to socialism as the United States and other industrialized countries have.

Hypocrisy and self-interest play their part, no doubt; but when that is said not all is said about progress. The war on Yugoslavia was not a "moral" one, as you well know. It was not waged for the sake of the suffering victims. The world is changing, however, and moving forward. The cheap commodities that Marx mentions in the *Communist Manifesto* as knocking down all Chinese walls of resistance to the spread of capitalism are, today, knocking down the walls of "national sovereignty," etc., held to be sacrosanct only a few decades—even just a few years—ago all over the globe.

Address your questions to *The People*, P.O. Box 218, Mountain View, CA 94042-0218, e-mail [thepeople@igc.org](mailto:thepeople@igc.org), or fax (650) 938-8392.

# ... The Trust

(Continued from page 5)

veiled. The trust rends the veil. The several views held on the trust are mainly the classconscious expressions of the three hostile economic classes into which capitalist society is divided, and which are shaken into classconsciousness by the relentless logic of capitalist development manifested in the appearance of the trust.

The capitalist class seeks to uphold the trust in order to maintain its own class supremacy. Its spokesmen tire not truthfully to point out the inevitableness of concentration in productive powers, together with the advantages that flow therefrom in increased production and cheapness; they conceal, however, the blood that stains the trail of the trust, or even deny the existence of such by inundating the country with rosy statistics, gotten up to order, on the condition of the people. But—"Meliora probant, deteriora sequuntur."<sup>\*</sup>

The middle class, tho itself ready to profit by the dependence of the toolless proletariat, is up in arms against the trust, whose superior power is crushing it. It chooses to see only the ravages wrought by the trust; it inveighs against "monopoly," while it upholds "capital"; ignorant of the economico-juridic contradiction implied in such a position, it clamors for the overthrow of the "monster," or, at least, for the clipping of its wings; and lawyers who are not jurists, together with economists who are not scientists, encourage the folly with their twaddle.

Lastly, goaded into mental activity by the smarts it suffers from the capitalist, and untrammelled by the class interests of the middle class, the classconscious proletariat is pushed beyond both the conservatism of the former and the reactionary posture of the latter. Its class interests reveal to it the two leading features of the trust; the de-

velopment by concentration of the tool, which makes for progress, and its system of private ownership, which blocks progress; its class interests make it aware of the contradiction, and direct it to save the good and permanent feature by stripping it of the evil and temporary one. The classconscious proletariat pushes the evolutionary movement onward by straining for the public ownership of the trust.

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The ladder, up which mankind has been climbing toward civilization, the ever more powerful tool of production, is the storm center around which the modern social storm rages.

The capitalist class seeks to keep it for its own exclusive use.

The middle class seeks to break it down, thereby throwing civilization back.

The proletariat seeks to preserve it and improve it, and to open it to all.

\*They prove better things, but worse follows.—DDL

## activities

Activities notices must be received by the Monday preceding the third Wednesday of the month.

ments will be served. For more information please call 440-237-7933.

### OHIO

#### North Royalton

**Thanksgiving Affair**—Sections Akron and Cleveland will hold its annual Thanksgiving Affair on Sunday, Nov. 28, at the home of R. Burns, 9626 York Rd., North Royalton. Begins 1:30 p.m. Readers and their friends are invited for discussion. Refresh-

### OREGON

#### Portland

**Discussion Meetings**—Section Portland holds discussion meetings every second Saturday of the month. Meetings are usually held at the Central Library, but the exact time varies. For more information please call Sid at 503-226-2881. The general public is invited.

## Pamphlets for Beginners

### SOCIALIST LANDMARKS

(Includes REFORM OR REVOLUTION, WHAT MEANS THIS STRIKE?, BURNING QUESTION OF TRADES UNIONISM, and SOCIALIST RECONSTRUCTION OF SOCIETY .....\$ 1.50 By Daniel De Leon

COMMUNIST MANIFESTO .....\$2.00 By Karl Marx and Frederick Engels; International Publishers edition

SOCIALISM: FROM UTOPIA TO SCIENCE .....\$4.95 By Frederick Engels; International Publishers edition

WAGE-LABOR & CAPITAL/ VALUE, PRICE & PROFIT .....\$4.95 By Karl Marx; International Publishers edition

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# ...Chinese Embassy

(Continued from page 1)

of China's embassy at Belgrade may have been an accident, or it may have been a none-too-subtle hint that China should keep its nose out from where it isn't wanted.

The danger with all such nose-tweaking, of course, is that it may come at just the wrong moment to be openly ignored for what it may really be. It should be remembered that China, too, has publicly accepted the U.S.-NATO accidental bombing explanation, or at least expressed a willingness to be somewhat mollified by U.S. payments for damages. However, that may not have been the real response. Years from now some histo-

rian might dig up the truth from a dusty pile of old documents in a dark and damp corner of a State Department or Pentagon basement, just as they are now rummaging through the archives of the old Soviet Union. In the meantime, however, there can be no disputing that all the countries mentioned have their own interests to pursue and that, as in the Caspian Basin and its from-the-west and from-the-east approaches, they must inevitably get into one another's hair. How dangerous that may be is still an open question, but major wars have been fought over less.

Diane Secor contributed to this article.

## directory

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## letters to the People

### As to Sources

As an organizer for the Committee of Interns and Residents (CIR), the oldest and largest doctor's union in the country, I am troubled by your sources used in this article. ["American Medical Assn. Backs New Doctors' Union," September issue]

Your article states, "As *The People* observed in 1997 upon the formation of the first national union of doctors..." CIR was established in March 1958 and now has chapters in New York, New Jersey, Washington, D.C., Boston, Miami, Los Angeles and Northern California with over 10,000 members. This fall the Boston chapter celebrates its 30th anniversary as a formal collective bargaining unit. Last year our Los Angeles chapter celebrated its 25th year.

Your article also quotes the president of San Francisco's California College of Podiatric Medicine (CCPM). I am currently working with podiatrists (employed by CCPM) at the Los Angeles County University of Southern California Medical Center in their efforts to seek union representation. CCPM pays these doctors a mere \$10,000 a year, despite the fact that they work 60 to 80 hours a week. Some of the podiatrists have been forced to support their families with food stamps or second jobs after their 60+ hours, which makes me wonder why you are quoting them as experts in this article.

I, like many other health care union organizers, am deeply committed to organizing workers in health care in order to achieve the ultimate goal of a better health care system. If you should choose to

write about health care in the future, please use better sources.

John L. Simmons  
Los Angeles, Calif.

**ANSWER**—As our reader noted, the article he questioned drew on an earlier article printed in 1997. ["First Doctors' Union Formed in San Francisco," April 1997] The writer of the first article took his information from the San Francisco Chronicle of Jan. 21, 1997. Unfortunately, the clipping he provided as his source of information is no longer on file.

However, according to a similar article that appeared in The New York Times on Oct. 26, 1996, "podiatrists announced on Thursday [Oct. 24, 1996] that they were forming the first nationwide labor union for doctors." The article was written by Steven Greenhouse under a heading of "Podiatrists to Form First Nationwide Labor Union for Doctors." That article should still be available through the archives section of the Times' Web site ([www.nytimes.com](http://www.nytimes.com)). The same Times article included the following passage:

"While the new union is the first nationwide union for doctors, local unions have been formed in California and Florida..."

No mention was made of the CIR by the Times, but "A Brief CIR History" on CIR's own Web site [[cirdoc.org](http://cirdoc.org)] states that "in 1957...the Committee of Interns and Residents (CIR) was formed." It goes on to state that, "In 1958...CIR won its first contract with New York City," and refers to subsequent organizing efforts in Boston, Miami and Los Angeles. Nonetheless, it makes no claim to being a national or na-

tionwide union. Rather, it states that, "Last year, CIR voted to affiliate with the Service Employees International Union (SEIU, AFL-CIO), the country's largest union of health care employees."

Of course, all of this may be wrong and, as our reader suggested, there may be better sources available. If so, however, we are not aware of them. If he knows of any he would be doing us a great service by identifying them for future reference.

—Editor

### For the Used and Abused

Enclosed is my contribution for The People's Thanksgiving Fund. I wish I could give more, but that's all I can afford. You know what it's like to be on a fixed income. Use well to help those who have been used and abused by wage slavery.

Harvey P. Kravitz  
Bremerton, Wash.

### Appreciates SLP Web Site

Thank you so much for having this Web site! This information was perfect for my project on why socialism could have been a good thing for the U.S. during the turn of the century. Thank you again!

"Dakaro" via e-mail

**The People welcomes your letters and comments. Letters intended for publication should be brief (500 words or less) and on subjects of interest to our readers; longer letters may be shortened or not used. Anonymous letters are not printed, but names and addresses are withheld upon request. Write to The People, P.O. Box 218, Mountain View, CA 94042-0218, e-mail [thepeople@igc.org](mailto:thepeople@igc.org), or fax (650) 938-8392.**

## Question Period

I was wondering how an individual might be able to obtain a certain item of leisure—let's say a TV, a computer, a board game or simply a puzzle—under socialism. Will there be stores where we will be able to go and just kind of be "given" these items (since there isn't a buy-sell situation), or would someone supply our needs and wants for us?

Ross Pavlik

The number and variety of goods available under socialism will vastly exceed the number and variety of commodities available under capitalism, and with considerably less waste of resources and raw materials. That includes what our reader refers to as "items of leisure."

There will also be stores where people can go and choose what they want or what they need from all the goods that will be developed and made available. They will make their choices as freely as they make them today, but without the constraints imposed by the system of sale and purchase. No one, other than the individual, will decide what he or she may need or want.

Modern technology used today to sell commodities over the World Wide Web will also be available for those who would prefer; but, again, without the constraints of sale and

purchase as under capitalism.

People will be "given" nothing, except the opportunity to fill a productive and useful role in society. They will earn their right to consume goods and services by participating in their production and distribution.

Apart from all that, it should be added that there will be no money under socialism. With the abolition of private ownership of the means of production and production for sale and profit, the need for money as a medium of exchange will disappear. With the establishment of a system of production for use, labor-time vouchers, which the worker may exchange for goods and services, will replace money.

Accordingly, under socialism workers will receive a labor-time voucher from their unions showing that they have worked a certain number of hours. This time voucher will entitle workers to withdraw from the social store as much as they contributed to it, after the necessary deductions are made for replacement of worn-out equipment, expansion of production, schools, parks, public health, etc.

Since under socialism the means of production will be collectively owned (as they were cooperatively produced), "deductions" for main-

taining and replacing them actually will not be deductions. And since the schools, parks, medical services, etc., will be for the use of all, neither will these really be deductions. In short, since the workers under socialism will collectively own the tools of production, the social services and everything else, making deductions for their maintenance and/or replacement, etc., simply will be providing for themselves, exactly as they will be providing for food, shelter, clothing, etc. Thus the workers will receive directly and indirectly all that they produce. Marx explained the use of labor-time vouchers as follows:

"...Accordingly, the individual producer gets back—after the deductions—exactly as much as he gives to it. What he has given to it is his individual share of labor. For instance, the social labor day consists of the sum of the individual labor hours; the individual labor time of the single producer is the fraction of the social labor day supplied by him, his share of it. He receives from the community a check [or voucher] showing that he has done so much labor (after deducting his labor due to the common fund), and with this check he draws from the common store as much of the means of consumption as costs an equal amount of labor. The same quantity of labor that he has given to society in one form, he receives back in another form." (*The Gotha Program*)

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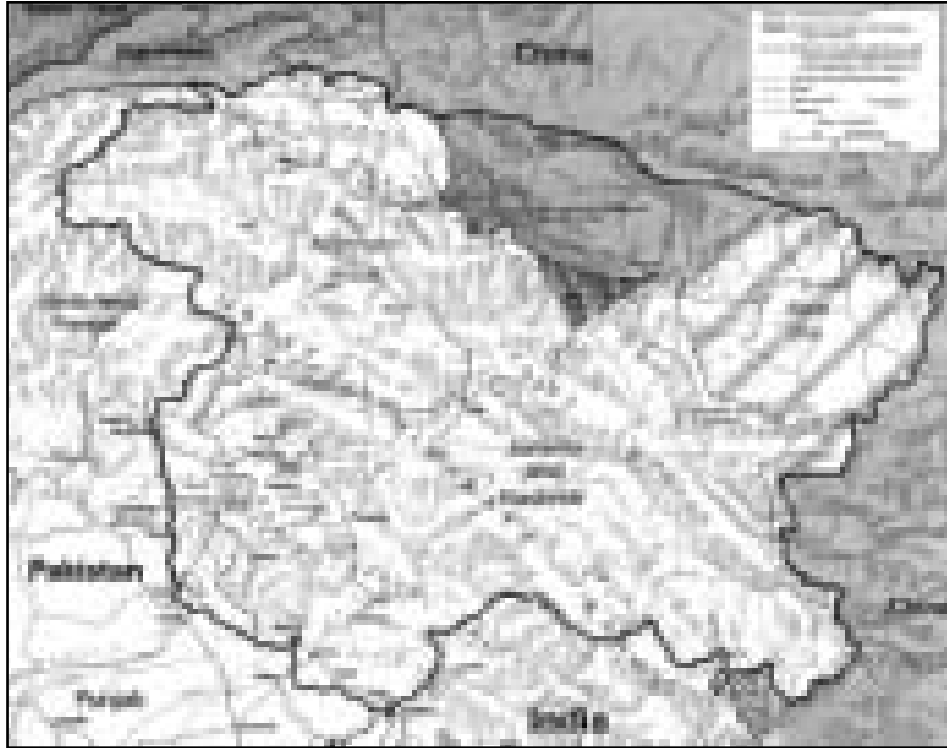
## The Kashmir Crisis

By Diane Secor

Why does Kashmir seem to be in a perpetual state of crisis—like a never-ending nightmare? The U.S. media generally describes the issue in terms of ethnic warfare and the danger of a nuclear confrontation between India and Pakistan. However, the media rarely makes the connection between Kashmir and larger regional concerns, or of how U.S. capitalist interests are becoming entangled in this scenario.

Kashmir's value is mainly its strategic location. Sandwiched in the middle of continental trade routes, Kashmir and its troubles are also too close to potential routes for the contemplated trans-Asia pipeline to the oil-rich Caspian Basin for China's comfort.

Three nations have conflicting claims over Kashmir's territory. China, Pakistan and India each occupy portions of it, with the largest part controlled by India as its northernmost province. However, both India and Pakistan have had designs on seizing *all* of Kashmir, and several wars have been fought there since the two countries gained their independence more than 50 years ago.



The Clinton administration has developed closer commercial relations with Pakistan and has used that leverage to nudge Pakistan to cooperate on certain issues, such as the extradition of fugitive Osama

bin Laden from Afghanistan. China has pursued a similar "engagement" strategy with Pakistan in which Kashmir plays an important role.

According to B. Raman of SAPRA (Secu-

rity and Political Risk Analysis), an Indian think tank, "[In] 1995, Pakistan, China, Kazakhstan and Kyrgyzstan had signed... a transit trade agreement." Under another agreement signed by Pakistan and China, it was decided to upgrade the Karakoram highway to facilitate this trade. However, China recently balked at completing the highway, which crosses the Himalaya Mountains from Kashi in China's Xinjiang province to Islamabad in Pakistan. Apparently the highway has been used to smuggle Pakistan-based guerrillas into Xinjiang to assist Uighur separatists aiming to break away from China.

China has used economic pressure, and at times completely closed down the Karakoram highway, to pressure Pakistan into stopping its aid to the Uighur insurgents. It is largely because of these Pakistani-supported incursions into Xinjiang that China has refused to side with Pakistan in the latest flare-up of Pakistani-Indian warfare in Kashmir.

Any threat to China's control over Xinjiang has ramifications throughout the region and throughout the world. Xinjiang is indispensable to China's growing domestic economy and its quest for international markets. According to P. Stobdan of India's Institute for Defense Studies and Analyses, "China is...planning to build a 2,000-mile-long pipeline across Xinjiang at the cost of \$3.5 billion to carry oil and gas to Chinese industrial cities, as well as for exports to Japan." (*Strategic Analysis*, June 1998)

China has also used Xinjiang as a springboard to expand its economic and strategic interests into Central Asia. Not only has it landed lucrative contracts with Kazakhstan for Caspian Sea oil, but, according to Stobdan, "there has been a phenomenal growth in trade volume between China and Central Asian countries. Areas of cooperation range from scientific and technological cooperation to setting up of hundreds of joint ventures in the field of electronics, consumer goods, textiles, communications, transport and personnel exchanges," in particular with Kazakhstan, Kyrgyzstan and Tajikistan.

The competition among China, Russia and the United States to capture the resources and emerging markets of Central Asia is heating up. India and Pakistan are also vying for a piece of the action, which can only accentuate Kashmir's strategic value.

Although the United States has no territorial ambitions in Kashmir or Central Asia, American oil firms, such as Texaco, Amoco and Mobil have their own pipeline schemes for funneling Caspian oil to the West. Mobil and other U.S. oil companies are heavily lobbying the Senate to pass the so-called Silk Road Strategy Act. This pending piece of legislation, according to a neat little bit of propaganda about "Rebuilding the Silk Road" on Mobil Oil's Web site, "would encourage the transition to free markets [sic] and promote greater U.S. trade and investment in the region." The danger, should Mobil and other oil companies succeed in their efforts to win passage of the Silk Road Strategy Act, is that the United States could get sucked into regional conflicts when faced with threats to its increasingly complex web of material interests.

In the case of Kashmir, it is not in the interests of American capitalism to see any other nation gain too much power in the region. Thus a divided Kashmir may be tolerated, or even preferred, to maintain "stability." But if the conflict spins out of control, U.S. economic and strategic interests could be endangered. Under capitalist rule, this is just one of the risks of doing business.

## Social Contrasts From Australia

By Brian Blanchard

Last August, *The Sydney Morning Herald* felt called upon to come to capitalism's defense by absolving a bankrupt company of any responsibility for the callous way in which it dumped 125 of its employees, and by singling out the federal government at Canberra for its special criticism.

"The executive of the modern state is nothing but a committee for managing the affairs of the whole bourgeoisie," Karl Marx said in his famous manifesto. When the state fails to live up to that responsibility in some way it invites the ire of such as the *The Sydney Morning Herald* and, from the capitalist standpoint, deservedly so.

Thousands of Australian workers are sacked by companies that go broke every year. Losing one's job is bad enough. In many cases, however, bad is made worse when failed companies refuse to pay sacked workers their meager "entitlements."

The loss of these entitlements—such as long service leave, sickness and holiday pay and redundancy benefits—obviously can, and most often does, have a disastrous economic impact on workers who suddenly find themselves tossed aside through no fault of their own.

A recent case of this sort was the Oakdale colliery closure, where the 125 workers mentioned—all of them miners—lost not only their jobs, but also their unpaid entitlements. According to the *Morning Herald*, those entitlements should have amounted to \$6.3 million, or about \$50,000 due to each of the discarded miners.

Oakdale's callous disregard of these workers was so blatant that it sparked a national strike by coal miners on Aug. 13. With that, the *Morning Herald*, one of the leading mouthpieces of Australian capitalism, felt called upon to register its editorial disapproval on how the Oakdale miners were treated—and quickly. When doing so on Aug. 14, however, the *Morning Herald* did not point a finger of responsibility at the capitalist owners of the Oakdale colliery, much less at the capitalist system itself. As noted, it singled out the federal government.

"The federal government's response to

the Oakdale colliery miners who lost their jobs when the company folded through no fault of its own is unsatisfactory," the *Morning Herald* said, minus the emphasis added here. "This week," it continued, "the miners...were told that the best they could hope for in the near future was access to \$200,000 worth of training and skills development through the government's regional assistance program. That comes to \$1,600 for each of the 125 miners concerned—a far cry from the \$50,000 owed to them on average, and none of which is money in the pocket. The miners were also told they would have to wait before recovering any of their entitlements until the government devised a national safety net scheme it is currently discussing....For unemployed workers with families to feed and mortgages to pay, that is cold comfort indeed."

The *Morning Herald's* professed sympathy for the unfortunate Oakdale miners was pure posturing. It used the incident to deflect attention from the capitalist system in which human labor is exploited as long as it is profitable, and discarded whenever capitalist greed or incompetence leads to bankruptcy and failure. Capitalism is the culpable party, and it is merely a case of confession and avoidance to suggest that bankruptcies and closures occur "through no fault" of the capitalists seeking to swim at labor's expense in the mire of their own competitive system.

If, in this particular instance, the *Morning Herald* felt compelled to divert attention from a system to an indispensable component of that system—the political state—it had good reason. Most Australian workers know instinctively that what happened to the Oakdale miners could easily happen to them. Indeed, such was the sympathy for these particular victims of capitalism that ultimately the federal government had to dig into an existing \$240 million fund for the protection of long service leave of the nation's 20,000 coal miners, and pay out the money that the sacked miners had been robbed of. The government picked up the debt of the Oakdale colliery while the owners of the Oakdale colliery got off scot-free.

Not so lucky are the many thousands of other workers who have also lost their jobs and their entitlements. Some other recent victims include workers from the Cobar and Woodlawn mines, from Gilberton Abattoir at Grafton, from the Queensland hospitals at Rockhampton and Yeppoon, from the Sizzler restaurant chain and from Pelaco textiles in Melbourne. Indeed, some estimates suggest that 26,000 workers a year are rudely placed in this situation.

If the Australian state can pick up the tab for one of its bankrupt patrons, as it did in the case of the Oakdale colliery, it is nothing to wonder at. The Australian ruling class is well heeled. It isn't even necessary to go to the very top of the heap to prove it, but only to the CEO level of capitalist "management."

To contrast the dire situation that workers face in capitalist Australia we need go only to the *Sun Herald* of Melbourne and to *The Australian Financial Times*. On Oct. 10, for example, the *Sun Herald* printed an article under the heading of "Fat Cats Widen the Salary Gap."

"Figures quoted in the international news magazine *The Economist* show the average American corporate chief takes home 419 times more pay than the average factory worker," the *Sun Herald* reported in way of introduction. It then added that "research in Australia reveals our big business overlords are being paid twice as much as they were 10 years ago."

Similarly, *The Australian Financial Review* of Nov. 1 used its front page to report:

"The salary packages of Australia's chief executives rose by an average of 22 percent in 1999...."

"Chief executive remuneration averaged \$1.45 million, *The Australian Financial Review* found in a survey of the annual reports of the top 100 companies.

"However, this figure dramatically underestimates the total wealth of the nation's corporate leaders.

"Collectively they hold shares and options with a gross value of more than \$975 million, reaping the rewards of the trend to

(Continued on page 6)