

WORKERS OF ALL COUNTRIES. UNITE!

# The Workers' Advocate

## Supplement



50¢

Vol. 9, #2

VOICE OF THE MARXIST-LENINIST PARTY, USA

March 20, 1993

## The changing composition and stratification of the working class

*Our last issue featured an article from comrade Jason of Seattle on structural changes in the economy, and their effect on unemployment. This time we are continuing the examination of structural changes in the economy and their effect on the working class with a report by comrade Joe of Boston, which was discussed throughout the Marxist-Leninist Party as part of the preparations for the Fourth Congress. It is from a study in progress, a study which has not reached final conclusions yet. Indeed, its author informs us that the study is still in flux, he would now write certain sections differently, but that the report should be left as it stands to describe the state of the work at the time of the Congress.*

**Report on the question of strata and changes in the American working class,**  
by comrade Joe, Boston

This is a very preliminary report on investigation into the changes in the American working class and some of the issues raised in the current inner-party discussion. At this time I am most able to answer questions about the labor aristocracy and the issue of bribing the workers. It should be stressed that most conclusions are most tentative and much more research needs to be done for any definitive answers. In a second section I will also attempt to pose some of the questions raised by the structural changes in the working class and the U.S. economy. All this is extremely rough, and due to certain circumstances beyond my control it is considerably rougher than originally expected. Any criticisms or suggestions would be most appreciated.

### The classics on the labor aristocracy

First what, according to the classics, is the labor aristocracy? What is the concept of a privileged or bribed section of the working class?

Marx, Engels and Lenin refer to the labor aristocracy as the skilled, better-paid workers. Such a section existed before the era of imperialism. While this section had a tendency to craft narrowness, before the last third of the 19th century this section, outside of Britain, was not so

terribly privileged and did not so much cut itself off from the lower masses.

In Britain due to its industrial monopoly and large colonial empire, the division of the workers into a privileged upper strata and a lower mass took place earlier. Actually in the period 1848 to 1868 nearly the entire working class experienced a rising standard of living, which tended to make the workers accept capitalism, and the Chartist and socialist traditions died out. But after 1868 the British industrial monopoly was increasingly challenged by the U.S. and Germany, and the conditions of the lower mass deteriorated. Only the privileged sections of skilled workers permanently benefited. Marx and Engels describe

Continued on page 12

### Inside

<b>Boston: Why the fuss over gays in the St. Patrick's Day parade?</b> .....	2
<b>In memory of Dr. David Gunn, murdered by 'right-to-life'</b> .....	3
<b>The blood is on the hands of the anti-abortion leaders</b> .....	3
<b>Defend the clinic in South Bend</b> .....	4
<b>Family leave--for a few</b> .....	5
<b>Clinton's economic plan</b> .....	7
<b>Cutting Medicare and Medicaid</b> .....	7
<b>Support the homeless</b> .....	8
<b>Another strike over health benefits</b> .....	8
<b>Anti-racist news items</b> .....	9
<b>Oil and U.S. intervention in Somalia</b> .....	10
<b>More agony in Africa: Zaire in crisis</b> .....	11

# Why the fuss over gays in the St. Patrick's Day parade?

*From the March 1 issue of Boston Worker, voice of the MLP-Boston:*

Twenty-five Irish gay men and women have applied to march as a contingent in the St. Patrick's Day parade. This has sent the right-wing fanatics who control much of South Boston's political and social life and who form a major part of the Bulger political machine into a frenzy. They have launched a court battle to keep the gay contingent from marching. At the same time they have joined together with the Catholic Church hierarchy to carry out an intense campaign of anti-gay agitation. Although most ordinary people who will attend the parade really don't see what the big deal is, the anti-gay hate mongering will undoubtedly rile up enough backward elements that there will again be a couple hundred yahoos who will taunt and throw bottles at the gay contingent the whole length of the parade.

The right wingers have come up with some novel justifications for their opposition to the gay contingent. First they claim that the St. Patrick's Day parade is a family event and the presence of a gay contingent will scandalize the children. But this only makes sense if you want to teach children to hate gays. Besides, will not children be

far more scandalized and traumatized by a couple hundred yahoos organized by the right wingers to shout "Kill the faggots!" The hypocrisy of the right-wing and religious bigots knows no bounds.

Between 5 and 10 per cent of the world population has been homosexual from generation to generation regardless whether homosexuality has been persecuted as in the US or tolerated as in recent years in Britain. The vast majority of homosexuality is not by choice but is something people are. What causes this variation in human sexuality is unknown. But gays exist and they are people. Would it not be better to teach children to understand gays rather than fear and hate them? Would it not be better for those children who will grow up gay to do so in an atmosphere where they can calmly deal with their different sexuality without the guilt and fear of persecution and ostracism? But then again, people like the ones that run the South Boston Information Center or the Catholic Church bigwigs are not really concerned about children.

The Catholic Church has claimed that the St. Patrick's Day celebration is a religious procession and that allowing the gays to march would deny the religious rights of the Catholic Church. Such touching concern for religious freedom from the Church authorities that have been trying to impose their views on abortion on every woman in America, Catholic or not, by legislation and court decision. But come on, the St. Patrick's Day parade a religious procession? If that's the case, then Budweiser must be your god. The St. Patrick's Day parade has long been a celebration of Irish ethnicity participated in by thousands of politicians and high school bands. It has also been an occasion, as anyone from South Boston will complain about, for several thousand men from all over the region to come to South Boston and get drunk. Religion has nothing to do with it.

Gay bashing is the latest craze of the right wing of capitalist politics, the extreme right of the Republican party. They see anti-gay hysteria as a means of recruiting new foot soldiers for the offensive of the wealthy against the workers and poor. That is what is behind the hysteria about gays in the St. Patrick's Day parade. The same people who want to keep gays out are advocates of white supremacy and 15-20 years ago organized the "ethnic cleansing" of South Boston and many other predominantly white areas of Boston. These are the so-called friends of the white working man who were dyed-in-the-wool supporters of Reagan and Bush and their policy of unfettered rights for the rich and suppression of the workers. Combatting the anti-gay hysteria of the right wing is matter of vital concern not just for gays but for all working and oppressed people. If the working class is to stand up, we cannot allow the right wing freedom to

## The Workers' Advocate



**Theoretical-Political Newspaper of the Central Committee of the Marxist-Leninist Party, USA**

**Rates: \$1.00 for single copy; \$6 for six issues; \$11 for 12 issues by first class mail (U.S., Canada, Mexico).**

From distributor: 25 cents

ISSN 0276-363X

## The Workers' Advocate Supplement

**Rates: \$1 for single copy; \$7 for 8 issues by first class mail (U.S., Canada, Mexico).**

From distributor: 50 cents

ISSN 0882-6366

**Letters, orders and subscriptions:**

**The Workers' Advocate or The Supplement**  
P.O. Box 8706  
Emeryville, CA 94662

# In memory of Dr. David Gunn, murdered by "right-to-life"

*From the March 15 issue of Detroit Workers' Voice, paper of the MLP-Detroit:*

It had to happen. The anti-abortion movement has finally murdered someone. David Gunn was a well-liked and respected doctor. On Wednesday, March 10, he was shot in the back in cold blood by a religious fanatic, Michael Griffin, outside an abortion clinic in Pensacola, Florida.

This was no accident. Dr. Gunn's blood is on the hands of the "right-to-life" leaders. "Operation Rescue" put out a "wanted poster" on David Gunn last year. Now Michael Griffin, from "Rescue America", has pulled the trigger. And what are the "right-to-life" leaders saying about it? Believe it or not, they are calling the victim, Dr. Gunn, the "murderer", because he performed abortions. And "Rescue

America" is collecting a fund on behalf of the man who pulled the trigger. A fund to support real and actual murder!

The "right-to-life" leaders aren't simply people who don't like abortion themselves. They want to deny a woman's right to make her own choice. This murder shows their real nature. And also their desperation. They are afraid of the mass of women and men who have stood up to them.

Since the election of Clinton, the "right-to-life" movement has stepped up its attacks on the clinics. We cannot wait for Clinton to do something. We cannot expect a new law to bring salvation. Whenever people leave things to the police and government, the attacks continue. The only way to stop the religious fanatics is if we stand together and defend women's rights. □

## Bloody hands of the anti-abortion leaders

### Rescue America

\* Two weeks before the murder, Michael Griffin was in church and, according to a Rescue America leader, "He asked that the congregation pray, and asked that we would agree with him that Dr. Gunn would give his life to Jesus Christ. He wanted him to stop doing things the Bible says is wrong, and start doing what the Bible says is right."

\* Right after the murder, Rescue America established a fund for the family of the murderer, Michael Griffin.

\* "While Gunn's death is unfortunate," said Don Treshman, National Director of Rescue America, "it's also true that quite a number of babies' lives will be saved." (Cited by columnist Anthony Lewis, *Detroit Free Press*, March 15)

### Missionaries to the Preborn

\* Matt Trehwella: "8 or 9 children are alive now who would have been dead had not Michael Griffin did what he did." (*NBC Evening News*, March 11)

\* He also said he 'would not condemn someone who killed Hitler's doctors who committed atrocities against human beings, and neither will I condemn Michael Griffin.' (Cited by Anthony Lewis, March 15)

### Operation Rescue

\* Put out a "wanted" poster on Doctor Gunn last year, with his picture and home telephone number and information about Dr. Gunn's schedule. It is running a "No Place to Hide" campaign against doctors.

\* "'We've found the weak link is the doctor,' Terry said

at a rally in Melbourne, Fla., recently. 'We're going to expose them. We're going to humiliate them.' " (*Ibid.*)

\* "'Praise God,' said a protester at a clinic in Melbourne, Fla., 'one of the (baby) killers is dead!' " (Cited in a column by Ellen Goodman, March 16)

\* Randall Terry: "While it is wrong to kill, we have to recognize that this doctor was a mass murderer." (*Ibid.*)

### Others

\* Rev. Donald Gratton: "If this measure somehow stops other doctors from performing abortions, we cannot take back the tragedy that happened yesterday, we might as well reap some of the good things that come from it." (*ABC Evening News*, March 11)

\* An American Family Association spokesperson: "He should be glad he was not killed the same way that he has killed other people, which is limb by limb." (*Detroit News*, March 14)

\* "Michael Griffin and Dr. Donald Gunn had much in common." (Reportage by Bill Kaczor in the *Detroit News*, page 3, March 14)

\* Joseph Sobran, nationally-syndicated conservative columnist: "The chief difference between him (Dr. Gunn) and his own murderer is that he got paid for taking innocent lives." (*Detroit Free Press*, March 15)

\* Mona Charen, nationally-syndicated conservative columnist, said "I couldn't have imagined how bad it was really going to be." She is not referring to the murder, but to the press coverage. She laments that the press quoted those "pro-life" spokesmen who would condone the murder", who are allegedly all nobodies among the anti-abortion crusaders. (*Detroit News*, March 18) □

## Defend the clinic in South Bend, Indiana!

*Excerpted from the March 5 issue of Chicago Workers' Voice, paper of the MLP-Chicago:*

### **Confront C.A.L.L. in South Bend, March 19, March 23 and March 26**

Collegians Activated to Liberate Life (CALL), an organization of anti-abortion bullies, announced plans to blockade the clinic in South Bend, Indiana. They will be there for two weeks in mid-March. They announced blockades for March 19, 23 and 26th. In addition, they may blockade the clinic in Niles, Michigan. On the days they are not directly blockading, they will be holding seminars on how to build their movement, spread their anti-woman ideology and shut down clinics.

We say "No More" Clinton and the Supreme Court will not be the guarantor of women's rights. We will not accept women being harassed and bullied by these bigots. Organize groups of friends, coworkers, fellow students and neighbors to go to South Bend to defend the clinic.

### **Learn from our experience**

Pro-choice activists defended clinics here in Chicago, in Buffalo, in Milwaukee and other places. Let us remember this experience and use it to organize this fight in South Bend.

Experience has shown that only mass militant action can keep clinics open. But there has been another policy, one of relying on injunctions and the police. This has created a rather sharp debate in the pro-choice movement over how to organize clinic defense. And we say, let everyone take an active role in the debates and questioning that is now going on.

The consequences of relying on the police and the courts were shown very clearly in Wichita two years ago. In the summer of 1991 Operation Rescue (OR) was able to close down clinics for several weeks. This was despite the fact that Wichita was a hot issue in the pro-choice movement. Thousands actually traveled to Wichita for a pro-choice rally. Yet the leaders of the pro-establishment women's groups NOW and NARAL sought to keep pro-choice activists away from the clinics; and when they couldn't stop some activists from going to clinics, they asked them to refrain from confronting Operation Rescue. The result? The clinics were shut down and Wichita became a byword for what people don't want to see.

In Buffalo too the issue arose over what to do about clinic defense. Leaders of the Pro-Choice Network (an organization dominated by NOW and NARAL) counseled activists not to go to the clinics. Activists were told that the injunctions that would be used against OR could be used against them too. But activists decided to go to the clinics

anyway. Because of this the local NOW also decided to go. They decided to takeover "peacekeeping" functions. They counseled the pro-choice activists not to shout slogans, not to denounce any individual OR leaders, not to look them in the eye or argue with them. They still promoted reliance on the police.

But the restrictions against confronting the antis did not hold among a large section of pro-choice activists. Buffalo became a scene of struggle. Hundreds of pro-choice activists showed up every day. Not one medical facility was closed and not one patient was denied access. OR never got to the clinic doors and their only "success" was to block a side driveway whose gates were already closed and locked by police. Overall, the pro-choice forces greatly outnumbered the anti's, with over 2,000 people participating in clinic defenses and other actions. And many activists took up blocking the antis charges before the police got there, shouting slogans, denouncing the antis and chasing them across the street.

Furthermore, many militants didn't leave matters to just defending the clinics. They also held protests at the church where the antis gathered each morning and even at the mayor's home. A militant pro-choice May Day demonstration organized by the Marxist-Leninist Party marched through working class neighborhoods and into the downtown area. It received warm support from residents who clapped and cheered, with several people joining the demonstration en route.

\* \* \* \* \*

After Buffalo another group of anti-abortion bigots, "Missionaries to the Preborn", announced blockades in Milwaukee.

Here too human walls of activists kept the anti-abortion forces at bay. Time and again anti-abortion goon squads stormed the clinics only to be repelled by lines of clinic defenders.

But there were also problems. The leaders of the NOW, NARAL and Planned Parenthood dominated the Milwaukee Clinic Protection Coalition. They tried to impose a policy of relying on the police and legal maneuver. MCPC usually organized for people to come to the clinics, but they also told activists not to confront the anti-abortion bullies and not even to shout slogans. Many pro-choice activists felt they had a bad experience in Milwaukee as MCPC marshals harassed them for denouncing or arguing with the antis. Several pro-choice activists were actually told to leave the lines. As a result, while the clinics were generally kept open, the anti-abortion bullies were not demoralized or driven away.

\* \* \* \* \*

In Chicago activists have defended a clinic every week for three years. In that time we have defended the clinics against several blockades. Here too the leaders of the pro-establishment women's groups have told activists to rely on

the police and to be content with being almost invisible. They usually oppose activists having signs, shouting slogans, denouncing the antis, etc. They certainly oppose doing anything that could be construed as taking matters into our own hands. They have gone so far as to call the police to remove pro-choice activists away from the blockading antis. At the clinic blockade on Nov. 7, 1992 activists decided they couldn't wait for the police to clear the door. They pulled the antis away from the door. NOW was very upset and wrote in to *New City* opposing this.

We have been told not to bring signs. But how can anyone else distinguish us from the antis without our signs and buttohs? We have been told not to shout slogans or denounce the antis, but we have ample experience that this demoralizes the antis. We have been told to simply rely on the police. But the police frequently wait for hours without doing anything.

We are reviewing this experience so that we can think

about it prior to the blockades in South Bend. It is very likely that some of the same issues will arise in regards to the clinic defense there.

The experience in clinic defense confirms again that you only have rights you fight for. We support the policy of mass clinic defense and "confrontation" If the antis are the only mass presence at the clinics, they can pose as a beleaguered civil rights movement. If the antis are only opposed by quiet onlookers they can still pose as state-persecuted visionaries. But "confrontation" by clinic defenders blows up this charade. It shows up the antis as a movement of thugs and bigots who want to establish a medieval tyranny over women. The more slogans about their real nature, the worse it is for them. The more "confrontation" from pro-choice women and men, the more the antis are demoralized.

Let's get organized to go to South Bend! □

## Family leave -- only for a few

On February 5, Clinton signed the "Family and Medical Leave Act." It requires large businesses to grant unpaid leave of up to 12 weeks for pregnancies, adoptions, or to care for a seriously-ill family member. During leave, workers are supposed to continue to receive their health benefits. And when they go back to work, they are to get their old job back, or an equivalent one.

While the ruling class blabbers on about "family values," hundreds of thousands of women had to work right through their pregnancy or lose their jobs. And others lost their jobs. Some sources say that as many as 150,000 workers a year lose their jobs due to family emergencies, from pregnancies to caring for sick loved ones. So when the bill goes into effect, in six months, it will provide some needed relief for some workers.

### Who really lacks 'family values'?

This bill had been vetoed twice by Mr. "Family Values" Bush, who worried that it might cost business some money. For the ruling class, the phrase "family values" is only an excuse to blame all the ills of society on the alleged depravity of ordinary parents and children; but it is really the corporations who are so depraved as to penalize women for childbirth, parents for caring for sick children, and workers for looking after their families. Now Clinton has signed the bill. But, unfortunately, if we compare Clinton's bill to what is needed by working class families, we find the spirit of George Bush and Ronald Reagan still lurks in its provisions.

### 1 out of 3?

First of all, the majority of workers will not be covered

by the bill. This is primarily because it exempts all corporate work places with less than 50 workers; this means 95% of all businesses are exempt. So the bill covers at most half the work force. But even fewer workers are actually covered. The bill also exempts all employees who have not worked at least 25 hours a week for one year. So many of the growing number of part-time workers are left out. The highest-paid 10% of the work force can also be excluded.

### Unpaid leave means hardship

Also, the leave is unpaid. And, to add salt to the wound, the bill forbids workers from collecting unemployment compensation or other government compensation during the unpaid leave. (Moreover, if the worker doesn't or can't return to work after the unpaid leave, she or he may even have to pay the employer back for health coverage during leave.)

Thus many workers covered by the bill will find themselves in a tough situation. If a worker takes the unpaid leave, she or he will lose their income for the duration. This will pressure some workers to refuse leave or come back to work early. But that means that a pregnant woman, a newborn or a sick family member may not get proper care. What a choice!

### Goodbye to vacations and sick leave

And there is another catch. Employers can use paid vacation or sick leave as part of the 12-week family leave they must offer their workers. So taking leave may wipe out your vacation. And what if you get sick? You won't have any paid sick days left, and your employer may

discipline or fire you for taking any more days off.

### Not even a penny

The provisions are so weak that the companies hope to extract the cost of the family leave from the workers' themselves. They operate on the principle of millions for the corporate playgrounds, but not one penny for workers' necessities.

Indeed, some large firms have reconciled themselves to family leave — provided it is unpaid — because they actually save money with it. For example, the Families and Work Institute estimates it costs 32% of a worker's yearly salary for a company to give unpaid parental leave. That's a bit of money. But they found it costs from twice to five times as much, from 75-150% of the worker's salary, to replace the worker permanently.

So if a firm could prevent many of its workers from quitting by offering them leave, it actually saves money. The Aetna Insurance company for example is among those which believe they have saved money by offering such leave. Even so, the firm didn't offer such leave until 1988.

On the other hand, if the workers will not quit even though the firm denies them leave, then the firm would make more money with the traditional policy of denying all leave. For example, if a firm's women workers suffer from low salaries and the lack of other job prospects, the firm can make money by forcing them to work right through their pregnancies. And if the women suffer hardship and despair, or the baby has problems, hey, it's not the com-

pany's problem.

Furthermore, some firms that offer family leave save money by not hiring additional workers to do the work of people taking leave; they simply force their permanent work force to take on additional responsibilities. Du Pont, for example, is one company that makes a systematic practice of such overwork. This giant corporation has offered six-month unpaid family leave since 1989, and it actually boasts that in 80% of the cases, it has handled the work "in-house," i.e., driven the rest of its work force harder.

Meanwhile, spokespeople for small businesses often complain of extra problems in giving family leave, or any other benefits for that matter. So small companies have been exempted from the law. This shows that small companies — the supposed engine of job creation, fountain of private enterprise, and all-round repository of American virtue — are a mixed blessing. Why should workers work in substandard and harmful conditions so that the small sharks can compete with the big sharks (or be their subcontractors)?

### Human rights for workers

If all workers are to have the right to care for sick family members and to have decent conditions for childbirth, they are not going to get it from the charity of probusiness politicians, liberal or conservative. If working women and men are to have human rights, they are going to have to organize for it. □

## Zaire in crisis

### Continued from page 11

The argument of U.S. officials in support of Mobutu is that the Zairean dictator is now the best guarantee against chaos. They claim to be worried that without Mobutu's strong rule, Zaire will descend into the chaos seen today in Somalia and Liberia. However this is just a new excuse. After all, it could be said with more truth that both Somalia and Liberia descended into chaos because the U.S.-backed strongmen ruling those countries refused to give up and had to be confronted by armed opposition forces. The longer Mobutu hangs on, the more likely that the country will implode in the same way as did Liberia or Somalia.

With the latest crisis in Zaire, there are signs that

maybe his Western sponsors will cut Mobutu loose. U.S. and other Western diplomats are saying they are considering imposing sanctions on Mobutu's government. It is not clear that they will actually do so, but the acts being considered bring out that there are a number of things they could do if they wanted to isolate Mobutu. These include freezing his personal accounts; seizing assets like his plane, yacht, and houses; the denial of visas to Mobutu's associates; and an arms embargo.

In one way or another, Mobutu's days are probably numbered. It is not clear what will replace him. Whatever the case, the lessons of Mobutu's 28-year-long reign ought not to be forgotten. They demonstrate the disaster which the alliance of imperialism and an "absolutist kleptocracy" brought to one of Africa's promising lands. □

## What Clinton's economic plan means for the workers

*From the March 1 issue of Boston Worker, voice of the MLP-Boston:*

In the last two weeks the Clinton Administration has revealed its "deficit reduction" program. Clinton has spent most of his time selling this program to the working people. He correctly points out that Reagan and Bush ran up a huge national debt that is choking off economic growth of the capitalist economy. He then tells the working people that we must all sacrifice to reduce the deficit and restore economic growth. To sweeten the call for sacrifice Clinton makes a point that 70 per cent of the tax increases will be borne by the wealthy. He knows that while the rich pigged out during the Reagan/Bush years the workers and poor suffered a declining standard of living and a higher overall tax burden. So he has to make a big show of coming down on the rich. This is made all the easier by the screams of injustice coming from the wealthy Republicans. Clinton claims he is further sweetening the package by adding some jobs programs for the unemployed and increasing spending on certain programs for the poor such as Head Start. Many workers feel as long as the sacrifice is fair, they will go along with it.

But we say beware! Clinton's program is only a beginning and more draconian measures for the working class must inevitably follow, if the deficit is to be reduced. Reagan's tax cuts for the rich, his massive increase in military spending and Bush's bailout of the S&L's ran up a four trillion dollar national debt. The rich know that they must bring this debt down or at least stop its growth. But they want the working class to pay. Indeed this is the task of capitalist politics of the 90's. Clinton's program is fairly mild in forcing the working class to sacrifice. But it is also

in fact extremely mild on the rich. While the workers suffered an increase in overall tax burden during the 80's the rich got their taxes cut in half. Clinton is not even beginning to restore taxes on the rich to their previous level. And so how can he begin to talk about fairness? Moreover what he does propose, even including the taxes on the workers, does not solve the deficit problem. It is only a warm up. Even with Clinton's most optimistic figures the federal deficit will still be a quarter trillion dollars a year in four years. Much more serious cuts and tax hikes are bound to follow.

In fact even as Clinton's program works its way through Congress many of the tax hikes on the rich will be eliminated while new taxes on the workers will be added. What little Clinton has offered the unemployed and the poor will be cut back. And the budget crisis will keep growing.

Clinton tells us if we accept some sacrifice now, then the economy will turn around and the workers will be better off. But history shows that the workers will not be better off unless they fight the rich to make their situation better.

We think the focus of the workers movement should not be a fair deficit reduction program. The rich have caused the debt problem. They should pay for it. The workers have their own interests of jobs, better wages, health insurance, education and so on. We must rebuild *our own independent* movement to fight for our interests, not tail after Clinton. But we are told if the rich have to pay they will stop investing and the economy will collapse. But doesn't this call into question the viability of the whole capitalist system, where the welfare of billions of people depends on satisfying the selfish profit interests of a small minority? □

## Cutting Medicare and Medicaid

Clinton has proposed cuts in the Medicare and Medicaid budgets for health care for the elderly and the poor. These are not part of his health care program, which won't be ready for a couple more months yet. Instead they are simply cutbacks.

At present Medicare and Medicaid reimburse doctors and hospitals for services at a rate under what these medical providers claim is their cost. Clinton proposes that the compensation be cut even further. In the absence of any system of health reform, these cuts will simply result in further difficulties for retired people or poor people

getting medical care, and in shifting the cost for the medical care from the federal government to whoever else gets stuck with it.

Meanwhile Clinton announced that he had ordered the Department of Health and Human Services to look favorably on requests from the states to waive Medicaid rules and make their own experiments in cost-cutting and creative alternatives to traditional care. Thus Clinton's program resembles that of George Bush: provide less and less funds, but say it's all right because you have the choice what to do with them. □

## Support the homeless!

### Homeless occupy buildings in San Francisco

Over 100 homeless activists marched January 20 from City Hall through downtown San Francisco to the front of a vacant four-unit apartment building on Polk Street. While marchers chanted "Housing for people, not for profit!", a number of activists occupied the second floor of this federally-owned building. Police prevented other demonstrators from entering the building. Then, 24 hours later, federal marshals moved in and evicted the protesters.

Earlier, on Christmas Eve, activists had barricaded themselves on the top floor of another empty building. Other activists kept up a demonstration outside and also fed more than 400 homeless people in the area. The next day, the police arrested seven people on the street for such things as aiding and abetting (sending up food) and cutting the police ribbon around the building. Eventually the police broke into the top floor with axes and arrested four adults and four children (12-years-old and under). □

### Tucson homeless camp out for their demands

Hundreds of homeless people camped out at a downtown government building in Tucson on Christmas Eve. The protesters named the encampment SyringTOWN for the blue-blood Republican Governor Fife Symington. He has been urging legislators to cut the already meager Aid to Families with Dependent Children (AFDC). The protester demanded that AFDC be expanded and that the Federal government create a public works program to put people back to work.

On January 5, over 200 protesters gathered at the Tucson City Council meeting to demand that the city include jobs for the homeless at a newly-created indoor feeding center. □

### Vacant building seized in St. Paul

Homeless activists occupied the vacant Quinlan building in St. Paul, Minnesota on January 26. The building is owned by the state. The protesters demanded that Governor Carlson stop balancing the budget on the backs of poor and working people. The police drove protesters out

of the building, beat a number of them, and arrested eleven. □

### Baltimore rent strike

67 families in a Baltimore housing project launched a rent strike in mid-February to force the city to fix up their apartments. The tenants in the 11-story Lexington Terrace complain of busted pipes, rats, falling plaster, and lack of heat.

At the end of January, Mayor Kurt Schmoke promised to spend \$2.5 million to renovate the 110-unit building. But residents say they've heard it all before, and launched their rent strike to force the city to act. □

### Chicago homeless picket high-rise

Homeless activists picketed the federally-financed Presidential Towers high-rise in downtown Chicago in January. The Towers developers have defaulted on their \$159 million mortgage. Protesters demand that there be no refinancing of the mortgage until 122 units (5% of the total units available) are reserved for low-income people.

Meanwhile, through the end of January, nine people among Chicago's homeless population have died of exposure. Mayor Richard Daley downplays the problem by claiming "there are few homeless people on the streets of Chicago today." City administrators claim there are currently 20,000 homeless people in Chicago. However, the Conference of Mayors estimated the actual figure is closer to 70,000. Whichever, it is too many. □

### Police arrest Detroit homeless

Since mid-January, scores of homeless people have been arrested in Detroit, Michigan. Their crime? Standing on street corners or near freeway ramps appealing for money. In the past, the homeless have been ticketed. But now the police have been empowered to arrest them on the grounds of disorderly conduct. It is common that, after a homeless person is arrested, the police keep any money they have as a bond for their release. Who are the actual criminals in this case? □

## Another strike over health benefits

*From the March 1 issue of Boston Worker, voice of the Boston Branch of the Marxist-Leninist Party:*

**Support the Boston Gas Workers!  
No More Health Benefit Cost Shifting!**

It has been over a month since Boston Gas workers were locked out by their employer. When their contract expired last month Boston Gas Company attempted to force the workers to accept major concessions in their health benefits package and further undermining of their job security through increased use of subcontractors. The



workers refused to bow down. At the same time the union offered to have the workers continue working while negotiations continued. Boston Gas Company would have none of it and refused to allow the workers to continue working. Boston Gas is using management people and outside contractors as scabs to maintain their system, while they try to starve the regular workers into submission.

The major issue in this lockout is health benefits. Over the years Boston Gas workers had won fully-paid health insurance for themselves and for retirees. But now Boston Gas wants to force major cuts to increase its profits, which already amount to \$26,000 per worker. Boston Gas wants to force all workers and current retirees to pay 10 per cent of their health insurance costs. Even worse, Boston Gas wants to eliminate health insurance altogether for all new employees when they retire.

### **Prudential Plan — Paying More for Less**

But not only does Boston Gas want workers to pay more for health insurance, but it wants to force all workers onto the Prudential PruCare health plan. This is one of the worst, if not the worst health insurance system in Massachusetts. The list of doctors in the PruCare network is so limited that there are many communities where you cannot get a doctor who is on Prudential's list of accepted doctors. Prudential requires twice the co-payment for visits to approved doctors as other HMO's. The cost of visiting doctors outside its approved list is even higher, in addition to a \$200 deductible and \$1,500 deductible for hospitalization. And finally Prudential is notorious for failing to pay its bills. Forcing workers onto the Prudential plan is a crude form of skinning the cat twice. Not only do workers have to pay more for less, the beneficiary of this attack on the workers is Prudential

Insurance company, which is part owner of Boston Gas through its large stock ownership of Boston Gas' parent company, Eastern Consolidated.

### **The Gas Workers Fight is our Fight!**

The Boston Gas workers deserve the support of workers in every industry. As the cost of health care continues to soar, employers everywhere are trying to shift the cost more and more onto the workers. New England Telephone tried to do that to its workers, but the workers' 105-day strike stopped them. The state legislature imposed cost shifting on the state, local and MBTA workers in 1990. Today the majority of workers are paying more for less health care than 10 years ago. And do not think that Clinton is going to reverse this trend with his health care reform plan. His major motivation is to save money for the employers, without leaning too hard on the doctors and medical industry or cutting out the insurance companies. That is why you are hearing rumors about plans to tax employer-paid health benefits, reduce Medicare coverage etc. The rich know that some kind of National Health Plan is coming. They want to set the precedent of workers footing the bill and getting the minimum coverage. That is why Boston Gas has joined thousands of other companies in major cost-shifting schemes. To the extent that the workers are passive the health care crisis will be solved at our expense. That is why it is so important for workers to support the Boston Gas workers. We must fight health care cost shifting every step of the way.

**Support the Boston Gas workers.**

**Join their picket lines.**

**Denounce scab gas company crews when they appear in your neighborhood.** □

## **Anti-racist news briefs:**

### **Justice for Malice Green**

About 20 people picketed the courthouse in downtown Detroit on February 12 demanding justice for Malice Green. Another pre-trial hearing was held that day for three cops who beat Green to death with police flashlights and fists while another four cops stood by and watched.

The hearing only dealt with certain technical details in the case and set March 19 as the date for another pretrial hearing. That hearing will probably take arguments for moving the trial of the cops outside Detroit. The protesters have opposed any attempt to change the venue of the trial, and are demanding that all the cops at the scene be put up on charges. Another protest is planned for March 19. □

### **Another confrontation with police in Denver**

Once again this year about 20 members of the Ku Klux Klan rallied at the State Capitol in Denver to oppose Martin Luther King day. And once again they were opposed by the masses.

About 10,000 people marched against racism in the city. But the liberal leadership changed the march route to avoid a confrontation with the Klan.

Still many people showed up to oppose the Klan face-to-face at the Capitol. But they were unable to get close to the Klansmen because police surrounded and protected the racists. When the rally ended, the policemen moved to push the anti-racists off the sidewalks and streets. This resembled a scaled-down replay of last year's incident, in which police attacked thousands of demonstrators and numerous confrontations broke out. □

## Oil interests and U.S. intervention in Somalia

In our January 15 issue, *The Workers' Advocate* discussed the interests lying behind the U.S. military intervention in Somalia.

While noting that the intervention was not guided by immediate interest in Somali territory or economy, we challenged the notion that it was guided by humanitarian concerns on the part of the U.S. government. We held that the military adventure into Somalia was not really so much about Somalia, but about larger, more global U.S. motives. These included prettifying the Pentagon as a humanitarian instrument, justifying a bloated military budget, and setting up a precedent for future "humanitarian interventions" where the U.S. and other powers respond with police action to social crises created around the world by the cruel consequences of capitalism and imperialism.

Since we put forward that analysis, there have been some press reports revealing that several U.S. oil companies have interests in Somalia. This has fueled speculation about a possible link between these oil interests and the U.S. intervention. (See *The oil factor in Somalia; four American petroleum giants had agreements with the African nation before its civil war began. They could reap big rewards if peace is restored*, *Los Angeles Times*, Jan. 18, 1993.)

Such speculation is natural. U.S. military forces have a long record of going overseas to defend the profits and stability of the oil monopolies and other U.S. corporations. Only a couple of years ago, the Persian Gulf war was waged to defend the stability of U.S. oil interests and their local allies in the Persian Gulf sheikhdoms.

However, not every decision to intervene is determined by narrow economic motives. Was U.S. intervention in Somalia because of immediate economic motives linked to U.S. oil companies? The facts at our disposal so far do not make that case.

What then are the facts about Somalia and oil?

### Somalia is quite likely oil and gas prone

The notion that the Red Sea and Gulf of Aden region — where Somalia is located — may have oil goes back a long way. Even when Somalia was under the control of British and Italian imperialism, there was some exploration for oil. But it was minimal.

Only in the 80s did some Western oil companies sign exploration contracts with the Somali regime of Siad Barre. And undoubtedly the fact that Siad Barre had been wooed over to the side of U.S. imperialism in the Cold War facilitated that association.

But it does not appear that much work was actually done before the civil war halted things in 1988. In general, investment in oil in Somalia and the rest of the region has been held back because of the extreme poverty of the area. The lack of infrastructure means that the expenses of exploring and producing oil from relatively inaccessible

areas are high.

A few years back, the World Bank and United Nations Development Program also launched a study to examine the geological potential for oil and gas in the Red Sea/Gulf of Aden region. This study ended in January 1992, concluding that there were indeed good prospects for oil and gas deposits in the region. (This study is summarized in *The Red Sea Gulf of Aden: Reassessment of Hydrocarbon Potential, Marine and Petroleum Geology*, Oct. 1992)

The oil companies which had taken out permits from the Siad Barre regime are Chevron, Amoco, Conoco, Agip, Pecten, and Phillips. It is not clear that any oil was actually found or judged ready for exploitation before exploration efforts were disrupted by the civil war.

### Focused in northern Somalia

The fact that several U.S. oil companies have their eyes on potential oil finds in Somalia does not itself add up to a cause-and-effect connection with the Bush administration's decision to intervene. After all, if the oil interests were really substantial, they would have been reason for the U.S. government to come in much earlier to stabilize things with the fall of Siad Barre. But as the historical record shows, Washington essentially took a hands off policy in Somalia for a couple of years before last year's intervention.

Perhaps the most important fact which prevents a direct connection being drawn between the oil companies' interests and the decision to intervene is that the oil permits made with Somalia are mainly concentrated in the north of Somalia. This is the region which has broken away from the south as the Republic of Somaliland, while the U.S./U.N. intervention has so far been in Somalia proper.

The Somaliland region is under the control of the Somali National Movement (SNM), one of the groups which fought against Siad Barre. This area has largely escaped the kind of factional warfare and famine crisis which has wracked the rest of Somalia.

The SNM regime does not however represent a threat to U.S. oil companies. In fact, the SNM has long found an accommodation with the foreign oil companies. Even before it won power, it had promised to honor all old oil contracts with the Siad Barre government. And since they established their control, they have worked hard to invite back the oil companies to resume exploration. And at least a couple seem to have done so. Still, the resumption of oil exploration here is no piece of cake: it is estimated that some one million land mines are strewn on the territory. (See *Somalia: oil companies to resume work in breakaway republic (self-proclaimed Somaliland)*, *Petroleum Economist*, Feb. 1992, and *Horn of Africa: oil hopes hinge on North Somalia*, *Petroleum Economist*, Oct. 1991.)

This comment is being written solely on the question of

the oil interests and the decision to intervene. For full coverage of our views on the intervention see the articles *U.S. intervention in Somalia: Humanitarianism is not the motive* and *Background to the Somalia crisis: A Cold War*

*tragedy in the January 15 Workers' Advocate* and "Somalia and GI Joe humanitarianism" in the March 15 issue of the *Workers' Advocate*. □

## The agony of Africa: Zaire in crisis

Yet another African country appears poised on the verge of collapse and chaos. The news from Zaire, sub-Saharan Africa's largest country, is grim.

On December 4, the presidential term of Mobutu Sese Seko expired. He declared he was staying put, rebuffing the demands of the opposition.

He went on to introduce new high-denomination banknotes. The opposition-dominated legislature rejected the new currency. Merchants and street vendors said they would refuse to accept it. Soldiers of the Zairean army, who are poorly paid, were given their wages with these new banknotes. When they couldn't spend this money, they rioted and went on a looting rampage.

Mobutu's well-paid presidential guard began an orgy of killing and looting themselves. Between 300-1,000 people were killed, mostly ordinary soldiers. Some opposition activists were also attacked.

Mobutu then dismissed the country's prime minister who belongs to the opposition. But the prime minister rejected this firing, declaring it illegal since he was appointed by the legislature.

Nearly every day, there are reports of new killings. And at the end of February, army troops lay siege on the legislature, demanding that it approve the new banknotes.

Zaire is in crisis.

While Nero is said to have fiddled while Rome burned, Mobutu went to his dentist on February 21 — in Monaco. He has a deluxe seaside estate in the south of France, close to Monaco.

His guardsmen committing massacres while he flaunts his extravagant lifestyle — that epitomizes much of what is wrong in Zaire. Zaire, formerly the Belgian Congo, is a land rich in natural resources, including minerals, forest products, and hydroelectric potential. But Zaire's riches have been squandered. Its people are among the poorest in the world, while the country's dictator, Mobutu Sese Seko, is one of the world's richest individuals. While the average Zairean makes about \$140 a year, Mobutu has amassed a fortune of \$5 billion.

Mobutu came to power in 1965 and he has ruled with ferocious tyranny and unbridled corruption. His regime has been described by one author as an "absolutist kleptocracy." Several years ago, in the face of big mass protests, Mobutu claimed he *would hand over* power to a democratically-elected government. A national conference of all the

country's political forces became the interim legislature. Although it elects the ministerial cabinet, Mobutu has refused to hand over power.

### Behind Mobutu's tyranny stands imperialism

How is it that Mobutu hangs on and has stayed in power for so long?

His immediate power is based on two important elements: personal control of the central bank, and the armed power of the presidential guard. Mobutu lives some 2,000 kilometers from the capital Kinshasa in an impregnable fortress, where he has a vast hoard of food, arms, and money; an international airport; and a direct link to the national radio.

But this doesn't tell the full story. Mobutu's power has rested very strongly on his alliance with Western imperialism. Mobutu was brought to power with the help of the CIA and he has been a loyal friend of the U.S., Belgian, and French governments. During the years of the Cold War, Mobutu was one of the West's best friends in Africa. Several times, French and Belgian troops came in to help Mobutu stay in power in the face of domestic upheaval. And the presidential guard has been trained by Israel.

The suffering of the Zairean people under Mobutu is thus one of the tragedies of the Cold War. It testifies to the hypocrisy of the U.S. government's declarations of democracy and freedom. Propping up Mobutu's cruel despotism had nothing to do with such fancy slogans; it had to do with ensuring that imperial corporations could continue to exploit Zaire's riches, with using Zaire as an outpost of imperial rivalry with the Soviet Union, and with having Mobutu's help against popular movements of the African peoples.

### They still hesitate to give Mobutu up

The Cold War is over, and the Western imperialists do not have any big stake in Mobutu's continued rule. The opposition, meanwhile, is friendly to Western interests too. But there is still reluctance to give Mobutu up.

When Mobutu unilaterally declared that he was extending his term in office December 4, the U.S. could have refused to recognize this action. But it didn't.

Continued on page 6

## The changing composition and stratification of the working class

Continued from the front page

the workers who are relatively privileged as the skilled workers in their narrow trade unions and to some extent the factory hands in the cotton industry who are still protected by the 10 hours bill and workers in industries dependent on government armaments contracts.

When Marx and Engels talk about these workers being bribed they do not mean cash payment, but that they are allowed a relatively higher standard of living and culture, more stable employment, a more petit bourgeois life. While they have many fights with individual capitalists or groups of capitalists they accept the capitalist system and become proud of their place in it. By a narrow struggle and not too strenuous a struggle they can maintain a tolerable standard of living. And this is not only in terms of wages but also in terms of social insurance, which is sufficiently restricted to include only the upper part of the working class. It is this social position of this whole strata that makes them back or tolerate political and trade union leaders who are bought by or in the service of the bourgeoisie. The trade union leaders, cooperative leaders, and later certain Labor Party functionaries form a special upper section of this strata who are especially bribed by trade union legality, by various industrial and government boards, etc. They are very respectable.

Some comrades in the party have at times thought of the labor aristocracy as being only the labor bureaucrats. This has not been the view of the party or *The Workers' Advocate*, although at times in shorthand we may use the terms labor bureaucracy and labor aristocracy interchangeably. But in fact, as we have shown above, the term labor aristocracy refers to a broader section. How much of this strata is corrupted/coopted/bribed by the bourgeoisie has varied greatly from country to country and historical period to historical period.

With the development of capitalism to the imperialist stage during the last part of the 19th century to the early part of the 20th, Britain had to share its industrial monopoly and the plunder of colonies with the U.S. and other European countries and Japan. Thus while Britain could no longer bribe as large a section of the workers and labor aristocracy as before, the phenomenon of bribing an upper section of the working class became universal in Western Europe and America.

Lenin notes that there are two tendencies in the imperialist stage of capitalism.

"On one hand, there is the tendency of the bourgeoisie and the opportunists to convert a handful of very rich and privileged nations into 'eternal' parasites on the body of the rest of

mankind, to 'rest on the laurels' of the exploitation of Negroes and Indians, etc., keeping them in subjection with the aid of the excellent weapons of extermination provided by modern militarism." (*Imperialism and the Split in Socialism*, October 1916, in *Collected Works*, vol. 23, p. 116)

The bribing of an upper strata of skilled workers, office workers, labor hacks, liberal-labor political hacks, etc., is associated with this trend, with the superprofits that come from super-exploitation of the masses of the less developed countries. Society no longer lives by the labor of the proletariat of the country alone, but partly by the labor of the workers in the oppressed nations, and an upper section of workers shares in this plunder. Even within the imperialist countries there is the tendency to create privileged and superexploited workers along national lines. Increasingly the hardest, dirtiest, lowest-paying work was consigned to immigrant workers or workers of an oppressed internal nationality, while the best-paying jobs were reserved for workers of the dominant nationality.

"On the other hand, there is the tendency of the masses, who are more oppressed than before and who bear the whole brunt of imperialist wars, to cast off this yoke and overthrow the bourgeoisie." Lenin then says, "It is in the struggle between these two tendencies that the history of the labor movement will now inevitably develop."

Lenin notes that the existence of a number of imperialist powers contending for economic and colonial monopoly tends to undermine the ability of any one of them, for any length of time, to bribe its workers to the degree that Britain did, and that this contention makes it *unlikely* for opportunism, which is based on that bribery, to triumph for long periods of time.

Lenin noted that no one can calculate precisely what portion of the proletariat is following or will follow the social chauvinists and opportunists, i.e., the bourgeois agents: this would be revealed only by struggle and the socialist revolution. But at any event it was a minority of the workers and that therefore the tactics of revolutionary socialists should be to:

"...go down *lower and deeper*, to the real masses.... By exposing the fact that the opportunists and social chauvinists are in reality betraying and selling the interests of the masses, that they are defending the temporary privileges of a minority of workers, that they are vehicles of bourgeois ideas and influences, that they are really allies and agents of the bourgeoisie, we

teach the masses to appreciate their true political interests, to fight for socialism and for the revolution through all the long and painful vicissitudes of imperialist wars and imperialist armistices.”(Ibid., p. 120)

“Go Lower and Deeper”—this has been the basis of the tactics of our party in the working class movement. This does not mean we write off all the skilled or better-paid workers. What section of them are following or will follow the bourgeoisie, how wide a section is bribed, is something we will only learn during the struggle. Lenin was opposed to a mechanical interpretation of this question and opposed abandoning the skilled workers in the craft unions to the labor hacks. He fought in *‘Left-wing’ Communism, An Infantile Disorder* against such views. At the same time he fought that the communists, in work among the skilled workers, must oppose all craft narrowness, all liberal-labor politics, all aristocratic elitism.

In our agitation we have not made it a policy to denounce this strata in general, but rather have concentrated our fire on the policy of the labor bureaucrats, the trend of liberal-labor politics of selling out the interests of the masses at home and abroad. We have shown the basis of this treachery in the superprofits of imperialism and have worked to break the workers from liberal-labor politics and to build an independent movement of the working class without and against the hacks and liberal-labor politicians. These tactics are based not on a priori categorization of sections of workers, as certain moralists among the neo-revisionists were wont to do, but on the struggle of political trends. We recognize that the degree to which the bourgeoisie can tame various sections varies from time to time and we are not mechanical. At the same time we have directed our agitation among the lowest, widest sections of the working masses, concentrated our work there where the revolutionary instincts have been least corrupted by bourgeois respectability. At the same time we combat all elitist, aristocratic, and racist attitudes among the skilled or better-off workers and direct all activists and workers, regardless of what strata they come from, to also go lower and deeper. These are the basic Leninist tactics.

### History of the labor aristocracy and the stratification of the U.S. working class

Large-scale industrial capitalism did not really get going in the U.S. until the Civil War and the post-Civil War period. The development of industrial capitalism led to an enormous growth of the urban proletariat, which was intensely exploited. The enormous growth of the working class led to repeated struggles, often quite intense, of this nascent working class to organize itself in trade unions and politically.

The largest organization of the workers in the post-Civil War period was the Knights of Labor. This was a class-wide, semi-union, semi-political organization of the class. It included both skilled and unskilled workers and sought to

unite the whole class. It was not until the 1880’s that a large section of the skilled workers or labor aristocracy began to separate itself off from the rest of the class. This separation took the form of the split of the craft unions from the Knights of Labor to form the American Federation of Labor (AFL).

While the Knights of Labor had a reactionary leadership, many weird ideas of class conciliation, and electoral illusions, the split of the AFL from the Knights of Labor eventually turned out to be not to the left, but the right. Although there was a left in the AFL unions that sought to oppose some of the reformism of the Knights of Labor leaders, the right wing in the AFL quickly consolidated its leadership, and the AFL was organized on a strictly craft union, skilled worker basis. By the mid-1890’s the AFL was renouncing any idea of socialism and international solidarity. The craft unions not only abandoned the unskilled, but they were downright hostile to the unskilled workers and openly opposed any efforts by anyone to organize them. In that particular historical period the majority of skilled workers were American-born workers and immigrant workers from Northern and Western Europe, while the unskilled workers were overwhelmingly immigrants from Southern and Eastern Europe, and American blacks and women. As late as 1930, 75 percent of the production workers in the U.S. were foreign-born. This particular division into upper and lower strata along national, racial and sexual lines remained in force through World War II. Thus, from an early period, racism, sexism and anti-immigrant hostility became part of the culture of the AFL unions. Unions forbade members to teach blacks or women the skills of the trade; they set initiation fees that no unskilled worker could

<b>The classics on the labor aristocracy . . . . .</b>	<b>1</b>
<b>History of the labor aristocracy and the stratification of the U.S. working class . . . .</b>	<b>13</b>
<b>The rise and fall of the living standards of American workers and the role of imperialist plunder . . . . .</b>	<b>16</b>
<b>Superprofits are essential for expansion of the capitalist economy but are not fed as scraps to the majority of workers . . . .</b>	<b>17</b>
<b>As the U.S. becomes more parasitic, conditions for the lower masses deteriorate . . . . .</b>	<b>19</b>
<b>Important demographic changes in the working class, and the fight against racism and sexism . . . . .</b>	<b>20</b>
<b>What is the significance of the relative decline of the weight of manufacturing and the industrial proletariat? . . . . .</b>	<b>21</b>
<b>Some questions . . . . .</b>	<b>22</b>
<b>Bibliography and notes on sources . . . . .</b>	<b>23</b>

pay; they demanded American citizenship and white skin for membership. They openly opposed any attempt by the left to organize the unskilled into unions as an attack on the position of the skilled worker. The AFL unions earned a world-wide reputation as the most corrupt, bourgeois in the world. Not only were they hostile to the interests of the class as a whole, but internally they ran on gangster principles that suppressed the rank and file, just as AFL construction trades unions do today.

American capitalism was exceptionally vicious against any attempt of the workers to organize unions in its rapidly growing, large-scale, mass production industries. Strikes were suppressed with fire and sword. Small unions of the skilled workers might be tolerated in construction, in small shops, perhaps even in some big factories. But any attempt to organize the mass of unskilled was viciously attacked. Thus the separation of a large section of the skilled workers into narrow craft unions not only represented a historical tendency of workers to organize into crafts first, it was also the path of least resistance. In that sense it represented a certain deal with the bourgeoisie: we will abandon the lower masses to you if you will let us have our craft unions and a little better standard of living.

Of course not all skilled workers went along with this deal. A revolutionary section maintained a class rather than a sectional outlook. Many of the leaders of the Wobblies, of the left wing of the Socialist Party, and later of the Communist Party were skilled workers who rose above their sectional interests to adopt a revolutionary class perspective. The number of these workers was not insignificant. But the fact that the majority of skilled workers were content with, or at least tolerated the deal, held back the class struggle in the U.S. for decades.

After the late 1890's conditions for large sections of workers began to deteriorate even for many skilled workers. In addition the rapid advance of technology and the development of mass production industries was eliminating huge amounts of skilled work. Formerly skilled production jobs were broken up into several unskilled, machine-tending jobs. From 1870 to 1910 the percentage of urban, male, manual workers who could be considered skilled dropped from 63 percent to 31 percent, with the most rapid change taking place between 1890 and 1900. (W.H. Form, *Divided We Stand*) This led both to the hostility of sections of the skilled workers to the unskilled, who were regarded as a threat to the position of the skilled (the mainstream of AFL leaders reflected this line), and at the same time to a tendency to radicalize sections of skilled workers who were losing their privileged position and who began to see their fate as tied to the plight of the whole working class. But at the very least, sections of skilled workers and union bureaucrats saw the need to help the unskilled mass organize, in order to protect the position of the skilled workers which was being weakened by the advance of industry. Several of the AFL unions began to experiment with second-class locals for unskilled workers in industries where the skilled were especially threatened by technical

progress or changes in business practices and the unions' dues base was declining. At the same time, among the mass of workers in the large-scale industries, sentiments for industrial unionism, which had been preached by the Knights of Labor, broke out in periodic waves of strikes involving both skilled and unskilled workers, e.g., the Homestead strike, later the Wobblies' strikes in steel. But in each of these cases the reactionary craft union hacks proved even more backward than the skilled workers and refused to organize the unskilled into the unions. They worked hard to cultivate elitist attitudes among the skilled American workers even during the strikes. Eventually both the skilled and unskilled were crushed.

It was the skilled workers struggle against the onslaught of the employers and their feeling a need to draw in the unskilled mass of women workers that was one of the factors creating the crack for the great mass strikes in the garment industry of 1909 to 1914. The shirtwaist strike was started by the skilled male workers. Of course the unskilled women workers soon went beyond the aims of the union bureaucrats and the skilled workers. It was the skilled workers who were the first to go back to work. In the fight between the revolutionary left and the social-democratic trade union hacks before and especially after World War II, it was the lower mass of women workers who were the backbone of support and activists for the communists and left while the male cutters and skilled workers tended more to be the social support for the social-democratic hacks. It is important to emphasize here the word 'tend' as there was by no means a clear line of demarcation along skill lines. Because of the high level of political activity among the masses, large sections of the more skilled workers supported the left; and one of the first locals expelled from ILGWU was the Pressers' Local 9 in New York. But the strongest support for the left was among the lower mass. (Note: outside of New York City the left and revolutionary agitation was much weaker, and the hacks and more conservative workers held sway, thus showing the importance of revolutionary work for sorting out trends and strata.)

The Great Depression of the 1930's was a powerful objective force for radicalization of the American working class. Mass unemployment shook the illusions of finding a comfortable place in capitalism. This crisis affected the skilled workers as well. In many areas they suffered even worse unemployment than the unskilled. Their wages were cut too. And it became impossible for them to defend their wages and conditions without uniting with the unskilled. Many were radicalized by their participation in the unemployed movement and by the support of the unemployed for their actions. Even among large sections of the skilled workers there began to be rebellion against the reactionary policies of the AFL and a demand for industrial unionism. The skilled workers in basic industry realized they had no chance of having unions unless they organized together with the unskilled. Meanwhile the motion among the unskilled production workers, which was first seen in the

1909-1914 strikes and again in 1919 and the later 20's, broke out in full force in the 1934-35 wave of strikes, sit-down strikes and general strikes. Organization of the workers in basic industry into industrial unions became the issue of the day.

Faced with this powerful motion from below, from the basic masses with strong influence of the communists, the bourgeoisie passed the Wagner Act to direct the movement into safer, tamer channels and to strengthen the role of the labor bureaucracy, and to develop such a bureaucracy among the industrial workers. Meanwhile John L. Lewis, and a number of AFL hacks from the more industrial unions, facing pressure from the rank and file of their unions and from the mass strike wave, and realizing that craft unions could not hold out in depression conditions without organizing the unorganized lower mass, split from the AFL to form the CIO.

The next 20 years are the history of the struggle of the mass of industrial workers to organize and to improve their condition, and the struggle of the labor bureaucracy, especially its right wing, and the government to capture, control and eventually squeeze all revolutionary or even left-wing elements out of this movement and kill it. Lewis, Dubinsky, Murray and company did not organize the CIO for the benefit of the unskilled lower mass, but quite frankly among themselves they admitted that their aim was to obtain a broader base to maintain the position of the labor bureaucracy, to channel the movement of the industrial workers into respectable channels, and to impose AFL-style hack control on the new movement.

The Wagner Act set up a system of bureaucratic channels for organizing industrial unions. It gave the unions legality. Within a decade 98 percent of union contracts provided for dues deductions from paychecks, which enabled a larger growth of the paid and partially-paid union bureaucracy and took away one of the contact points between the union officials and the masses. It provided for elections rather than strikes to gain union recognition, which strengthened the position of the union bureaucracy. Of course a very large section of employers still used vicious repression against union organizing. Strikes and wildcat strikes even after the unions were organized continued to be necessary.

After the war a vicious and heavy wave of repression was unleashed against the communists, revisionists, and left reformists of all types in the unions. The Taft-Hartley Act took legality away from the Communist Party-led unions, and the CIO bureaucrats waged a war to drive the revisionists out of their unions. Of course the revisionists were pretty far gone by those days anyhow. But the war was really against any class or internationalist sentiments being expressed in the unions or among the workers. As the communists were attacked in the unions, heavy repressive measures were taken against any militant opposition. Contracts were changed from annual contracts to 3 and 5 year contracts. The unions opposed any fight on the question of intensity of labor and speedup. Even the more

democratic unions like the UAW became rigidly bureaucratized.

By all these changes the masses were driven from participation in the unions. Union politics became the preserve of the most careerist elements, and their cronies, who were afforded softer jobs. With the mass struggle down and left politics driven out, the weight of the skilled or higher-paid senior production workers and the skilled craft workers increased generally to the point of domination in the industrial unions. And these sectors asserted their interests above the lower mass. Not only were the communists attacked, but by the early 50's the CIO unions were being raided by the AFL unions under the anti-communist banner, and a year or two later employers were using the anti-communist hysteria in an attempt to break even the caschardened, reactionary AFL unions. It was only when the CIO had gone about as far right as it could, that the AFL and CIO merged. This marked both the end of the Cold War frontal assault on the workers movement and the burial of the wave of militancy the unskilled production workers had brought to the union movement in the U.S.

As we can see, tremendous forces were set up against the working class. Nevertheless the militancy and egalitarian spirit the mass of unskilled workers brought into the trade union movement was not crushed in a day. Even in the early days of the Cold War this continued to have an effect. The end of World War II saw a huge strike wave. Even as official strikes were cut down by labor hacks, a wave of wildcat strikes against speedup and increasingly bureaucratic and repressive union structures continued through the first half of the 50's. One of the effects of the strikes of the industrial workers was the narrowing of the gap in wages between skilled and unskilled in the mass production industries. The unskilled and the left demanded raises of so many cents per hour for all workers. This resulted in a change in the ratio of skilled to unskilled wages in the auto industry from 1.72 in 1946 to 1.40 in 1950.

But while the wage differentials narrowed, the skilled workers did not cease to be part of the labor aristocracy. Skilled workers were winning more and more influence, far beyond their numbers, in the CIO unions. (We suspect that they were a major social support for the right-wing hacks but need more research here.) At the same time the AFL was active in trying to split them from the CIO unions. Starting in the early 50's, movements were organized in the UAW, the Rubber Workers and the Steelworkers to split the skilled trades off into separate unions. The major demand of this movement among the skilled workers was the restoration of wage differentials. And specifically, the replacement of x cent per hour contract raises with y percent contract raises which would stop the trend of narrowing wages differentials. The movement for separate unions for skilled trades never got very far. For one thing, the NLRB ruled against the International Society of Skilled Trades' request to be allowed to represent skilled workers in auto. The same happened in steel. But the demand for

preserving and even increasing wage differentials was won by the early 50's.

As American capitalism entered its "golden age", it had first crushed the left wing in the workers movement and propped up the reactionary labor bureaucracy. That part of the broad labor aristocracy which had been submerged in, and to some extent even carried along with, the movement of the industrial workers in the heyday of the 30's was more strongly reasserting itself as a separate privileged strata. The AFL and CIO might be merging but the division of the American working class into a privileged aristocracy of union officials and skilled workers and a somewhat wider section of workers in weapons industry or sections thereof, and an unskilled lower mass, remained. U.S. imperialism made its deal with a small upper stratum of the working class; the labor bureaucrats and a section of the skilled workers were allowed respectability. The lower mass was beaten back. At the same time the prosperity and expansion of capitalism during the 50's and 60's was sufficient that the workers were able to enjoy a rising standard of living, and so the wide mass more or less acquiesced, but with rebellions of the rank and file welling up again in the late 60's to early 70's.

During the 60's and early 70's there were several studies done on the condition and attitudes of the skilled workers in the U.S. and Britain. These studies confirmed the fact that skilled workers have formed a labor aristocracy that had long since separated itself off from the rest of the class. The workers in these surveys repeatedly referred to unskilled workers as being lower than them, and themselves as being middle class. So even during U.S. imperialism's golden age the division in the working class referred to by Lenin did not go away. In some ways this split has been intensified in the period of capitalist stagnation since the early 70's. It is this strata that became the core of the Reagan Democrats in the U.S. (Actually W.H. Form shows that, as far back as the 50's, the skilled workers have tended to vote for Republicans to a considerably greater degree than unskilled.) In Britain there were actually studies done on the political affiliations of the skilled workers. From the 70's to the mid-80's they changed from being overwhelmingly pro-Labor Party to overwhelmingly voting for Conservatives. In both countries this reflects the great susceptibility of the upper strata of the working class to a-class [non-class], narrow self-interest.

### **The rise and fall of the living standards of American workers and the role of imperialist plunder**

But what about the dramatic rise in the standard of living of the broad mass of American workers during the 50's and 60's? Is the theory correct that U.S. imperialism was so able to exploit the whole world in this period that it could bribe the whole working class, that the majority of American workers began to live off the scraps of imperialist plunder? If so, has anything changed?

Indeed our statistical research has confirmed that there was a dramatic rise in the standard of living after World War II that extended to almost the whole working class. This rise continued up to the mid to late 70's, and since that time the majority of workers have suffered fairly sharp losses.

For example:

During the 50's: real hourly wages rose 30%.

During the 60's: real hourly wages rose 19%.

During the 70's: real hourly wages rose 7% from 69 to 73, and then fell 4.5% through the rest of the decade.

During the 80's: real hourly wages fell another 6.5%.

This includes all private sector workers in manufacturing, construction, service, and clerical, skilled or unskilled.

In manufacturing, production workers' average real hourly wages rose

30% in 50's,

15% in 60's,

8.8% from 69 to 78 mostly between 69 and 73,

and then fell 9% from 78 to 89.

Construction real hourly wages rose

30% in 50's,

26% in 60's,

11% from 69 to 72

and then fell 24% from 72 to 89.

The same trend applies to retail trade: rising wages in the 50's and 60's, and falling rather sharply after 72.

I have not done a detailed study of wage trends in the services sector such as business services, hospital workers, etc. Here things are more complicated, especially in the medical field, due to a large professional sector whose wages actually rose during the 80's.

Overall though, you can see a general rise in the standard of living of the majority of workers during the 50's and 60's, and a fall after the mid-70's. Of course wages are not the only factor in determining the standard of living of the workers. There are many other factors, but here too the same thing applies.

During the 50's and 60's health insurance and pension coverage were introduced widely to the point that, by 1979, 85.4 percent of the population was covered by health insurance. This has since dropped to 82 percent, and during the 80's a good deal of the cost of health insurance was shifted to the workers which further reduced their real wages.

Unemployment insurance, which was mostly only a promise before World War II, was expanded considerably in the post-war period, up to 65 weeks in the 70's, and covering the majority of the officially unemployed workers. In auto, steel, and many related industries various forms of supplemental unemployment benefits (SUB) were introduced, which took much of the pain out of periodic and



seasonal unemployment. But in the 80's both the length of coverage and the number of workers covered has been reduced. SUB benefit funds have long since been exhausted, and unemployment insurance coverage more and more applies only to the upper, more stably employed workers, and in deep recessions like the current one many of them run out of their benefits.

In the post-war period, educational opportunities opened up with the GI bill, the growth of public colleges, community colleges and universities, government loans and grants to aid students, etc. As result the percentage of the civilian labor force with 4 or more years of college between ages 25 and 64 grew from 14 percent in 1970 to 25.7 percent in 1988, with most of the growth occurring during the 70's as the baby boom generation came on line. Or put another way, of the generation that would have received its college education before or during World War II, only 11 percent have 4 years or more of college. But nearly 28 percent of the post-war baby boomers have 4 or more years of college.

However during the late 70's and during the 80's there were waves of tuition hikes in private and public colleges and universities and a relative reduction in student aid. This has tended to restrict the mobility of working class youth into the professional strata. It should be noted that this strata has actually slowed its growth compared to the heydays of the 70's. Thus a greater percentage of this strata can be recruited from its own sons and daughters. At the same time the general fall in wages acts to force youth to get more education, which tends to counteract the increased financial burden. But overall there appears to be less opportunity for working class youth to get a full college education and rise to professional status.

Unemployment remained relatively low during the 50's and 60's. Although there was a period of higher unemployment in the late 50's and early 60's, it peaked in 1958 at 6.8 percent. Since 73 there have been only 5 years with less than 6.8 percent official unemployment, and during the 80's, as *The Workers' Advocate* has pointed out, unofficial unemployment and part-time employment has grown enormously. (I should note here that unemployment in all the European countries and Japan follows the same trend. There is a very significant rise in unemployment levels in all these countries in the mid-70's. In France before 1974 unemployment levels are below 3 percent. Afterwards they rise steadily to the 10 percent range. The same is true for Britain. In Germany unemployment is below 2 percent prior to 75, and then rises to 7 percent by the late 80's.)

Another measure of the standard of living of the workers is home ownership. In the period before World War II the homeownership rate was about one-third of all housing units. This rate rose sharply after the war with the building of the suburbs and peaked in 1980 at 65 percent. Since then it has fallen to 63 percent, with the sharpest drop being among the under 40 age groups among whom home ownership dropped 6 to 7 percentage points. Only the over 55 age bracket improved its position with regards to home ownership. (Home ownership is not a universal measure of

standard of living and its implications vary from country to country and historical period to historical period, but in the U.S. it very much has been a measure of the standard of living of the workers in the second half of the century.)

Thus in the period from the end of World War II to 1973 there was a general rise in standard of living of the workers during which the majority of workers shared in the gains. Of course, part of this gain can be explained by the higher level of struggle. This is particularly true of the period 67-73 which has the peak of the black movement and a high wave of strikes. And again the strike wave of 77-78 recouped the loss in wages the industrial workers began to suffer after 73. But overall the general rise in standard of living is based on the prosperity of world capitalism, a tremendous increase in U.S. productivity during and after World War II, the relative U.S. industrial monopoly and its dominant political, military, and financial position in the world.

### **Superprofits are essential for expansion of the capitalist economy but are not fed as scraps to the majority of workers**

It would be wrong to say that this standard of living was simply based on plunder of the world in the crude sense. The capitalist expansion following World War II allowed for rising standards of living throughout the world, and in most countries living standards rose faster than in the U.S., of course mainly because they were rising from so much lower

In the hothouse of World War II's wartime economy, American productivity rose at astronomical rates that have never been matched since. American factories were reequipped with the latest technology on a vast scale after crawling along for the decade of the 30's. This productivity growth continued into the 50's and 60's. During this time not only was there a tremendous growth in productivity of manufacturing, but also of transport and trade, agriculture and services as the U.S. modernized its infrastructure to take advantage of the automobile with interstate highways, shopping malls, supermarkets, etc., and farm mechanization took over the South.

In general not only manufacturing productivity but overall productivity in the economy rose faster than wages. Productivity rose 72 percent between 1950 and 1970 while real hourly wages rose 54 percent. Once the left had been broken in the unions the capitalists and union hacks established a trend of trading off wage increases for productivity increases. Such an agreement devastated hundreds of thousands of coal miners in Appalachia who were replaced by machines. Auto and rubber factories returned to being places of backbreaking keep-up-with-the-machine-or-the-line labor

Clearly with such an enormous rise in productivity the capitalists could allow for a general rise in wages and still increase their share of the wealth produced. Marx pointed out that capitalism does not necessarily mean that real

wages are going down, that the absolute poverty of the workers is increasing; because capitalism revolutionizes the means of production it tends to increase absolute standards of living while increasing the relative impoverishment of the working masses—they become more and more enslaved and dependent on capital. Of course this is true of periods of general capitalist expansion. Crises and prolonged periods of stagnation, such as we have been going through, are another case.

But what role did U.S. plunder of the world play in the standard of living of the American workers? When we looked back at the statistics we found that the superprofits extracted from the rest of the world during U.S. imperialism's golden age of 1950-1975 were actually much lower than what they extract today. The U.S. did not increase its export of capital above 1929 levels until the early 50's. So by 1960 income from foreign investment was only 0.65 percent of the GNP (less than one-third of the weight these profits carry today and only slightly higher than the 0.56% of GNP that such profits accounted for in 1950). But what about profits on its foreign trade? U.S. enjoyed a relative industrial monopoly at the time. But in fact U.S. exports and imports were quite small relative to its economy. In 1960, these exports amounted to only 3.78 percent of the GNP and imports about 3 percent of the GNP. Clearly neither the profits from foreign investment nor the profits on trade can be seen as the direct source of the dramatic 30 percent rise in the standard of living of American workers during the 1950's. Both the rise and the working class were too big for these sources to pay for it. But the superprofits were enough to bribe the labor hacks and a section of the labor aristocracy and to help U.S. imperialism maintain the growth of its domestic economy.

From the Korean war on, militarization of the U.S. economy was vital to maintaining capitalist economic growth in the U.S. This meant building a vast overseas military empire of 2,000 bases. It meant vast expenditures for these bases and for buying influence with governments. And of course this vast empire protected the growing investments of the U.S. imperialists *and* of its allies. But the U.S. government by its own admission would not have been able to maintain such an empire without a sizable trade surplus with the rest of the world of 3 to 5 billion a year that its superior economic position allowed, and it would not have been able to maintain its foreign aid program for buying influence in governments without the income from foreign investment. Moreover during this period, despite trade surpluses and income from foreign investment, the U.S. still ran sizable balance of payments deficits year after year as a cost of maintaining a world empire. Of course in comparison to the balance of payments and trade deficits the U.S. runs up today, these were piddling. Nevertheless no other country could have run up such a deficit without a collapse of its currency. But the U.S. could, because of its privileged financial position in the world. The dollar by the Bretton Woods Conference of 1944 was the international currency. The U.S. was also

the protector of all the Western imperialist interests throughout the world. And so central bankers around the world held on to dollars as IOU's for two decades, until Bretton Woods collapsed in the crisis of 71-72.

When we speak of a section of workers being bribed from imperialist superprofits, there are of course the labor hacks, community misleaders, etc., who have their position based on the extra profits that U.S. imperialism gets from world plunder, and of course there is the privileged position of sections of skilled workers and the professionals, etc. The hard core of this strata actually lived in whole or part off the labor of the workers in other countries and the most oppressed sections of the workers at home. But for the wide mass it is more that U.S. domination and the plunder of the less developed countries allowed capitalism to keep functioning without crisis, to keep expanding, and to provide them with some stability. Lenin speaks of this phenomenon in *Imperialism, the Highest Stage of Capitalism*, where he points out that in the older capitalist countries there is a surplus of capital that cannot be invested without dramatically raising the living standards of the masses and thus lowering profits, tending to create overproduction crises, therefore it flows overseas and into the activities of imperialism. U.S. imperialism was actually a late comer in terms of developing its overseas investments. Thus when it achieved world domination after the war it is natural to expect that the flow of superprofits back home from those investments would take some time to develop into a major factor in the domestic economy. Nevertheless the outlet for investment around the world did play such a role as Lenin described. In addition, even back in the 50's the profits of overseas investments that returned to the U.S., the trade surplus the U.S. enjoyed with the rest of the world and the privileged position of the dollar were essential in allowing the U.S. to build up its worldwide military empire and its "foreign aid" program for buying influence with governments. Without these advantages, the U.S. would have been crippled by balance of payments deficits very quickly. This would have restricted the militarization of the U.S. economy, which was a major factor in continued capitalist prosperity and economic stability at home. To give you an idea of how this affected the workers. During the Viet Nam war 25 percent of all sheet metal workers and pattern makers and 54 percent of all airplane mechanics worked on military projects. The steel, shipbuilding and aluminum industries were also to a considerable degree dependent on war and militarization of the economy for their orders.

There is another way in which the U.S. privileged position in the world affected capitalist profits and the workers' standard of living. That was the lack of foreign competition in the home market due to U.S. industrial supremacy. Even in its golden age, U.S. imperialism did not gear its economy to be the workshop of the world despite its overwhelming industrial superiority. American capitalism since its industrial revolution has historically been less involved in the world market in terms of trade than other powers. Primarily this is due to the fact that it was abun-

dantly endowed with raw materials and agricultural land and had a huge home market. After World War II the U.S. did not use its industrial monopoly to exploit the rest of the world by trade to the extent that Britain did in the 1850's and 60's. Such a policy would have thrown the world right back into a depression. In fact, one of the deals between Britain and U.S. at Bretton Woods was that the U.S. would not develop a big export economy to the detriment of the rest of the world. The trade wars that had intensified the Great Depression were too much on their minds. But the industrial superiority of the U.S. did allow the American capitalists a prolonged period of stable, monopoly exploitation of the American market without any foreign price competition. Thus American workers were spared the downward pressure on wages that international competition brings.

But by the early to mid-70's certain aspects of this situation began to change. The post-war worldwide expansion of capitalism began to reach its limits. Europe and Japan were rebuilt, the automobilization and suburbanization of the West had reached the point of diminishing returns. Whereas previously there was room for the various capitalist economies to expand under U.S. hegemony without hurting each other, they were now beginning to run into each other. The U.S. began increasingly to face price competition in its own markets. The Eurodollars built up as a result of 20 years of U.S. balance of payments deficits to finance a world empire, were now beginning to cause instability in world financial markets. The Vietnamese had given the empire its first decisive military defeat. The dollar lost its position as the world currency. The U.S. began its slow decline as world capitalism entered a prolonged period of relative stagnation that has lasted to this day.

### **As the U.S. becomes more parasitic, conditions for the lower masses deteriorate**

As U.S. imperialism has declined, the American bourgeoisie has become even more parasitic. Actually several times more parasitic. As late as the boom year of 1968 U.S. corporations made only 5 or 6 percent of their profits abroad. Interest income from overseas was equal to another 2 percent of corporate profits. Today overseas profits are equal to 20 percent of corporate profits, while interest from overseas loans is equal to another 20 percent. This increased parasitism may have somewhat cushioned U.S. decline, but it seems primarily to have benefited the bourgeoisie and the professional managerial strata, and eased the slide for the older, more skilled and primarily whiter sections of the working class. For the lower mass, conditions have deteriorated markedly.

In the period of rising living standards, not all workers benefited equally. Construction workers and workers in large-scale monopolized industry benefited more. Minority workers benefited least, with some improvement as the result of the movement of the 60's.

In the period of a declining standard of living, the

minority workers suffered the most. Unemployment for black males, which ran between 2.0 and 2.1 times the white male rate in the early 70's, by the late 80's had risen to 2.3 to 2.5 times the white male rate. The median income for young black families fell 20 percent between 73 and 89, while the median income for young white families fell only 2.7 percent from 79 to 89, and actually rose slightly in the late 70's (mainly because more white women entered the labor force, whereas black women were already working).

In general young workers suffered a bigger cut in wages than older workers. The real hourly wages of 18 to 24-year-old workers fell 18.8% from 79 to 89. This reflects the trend of two-tier wage systems as well as the fact that the absolute decline in the number of manufacturing jobs has forced large numbers of youth into lower-paying jobs in services and retail trade, which accounted for 75 percent of all job growth in the 80's.

The restructuring of industry during the 80's led to the elimination of 2 million production jobs, and these workers were forced either into permanent unemployment or into lower-paying jobs in service industries and retail trade. The higher unemployment among manufacturing workers, the union busting and the betrayal of the labor hacks also led to sharp declines in wages in various industries. Half the jobs in steel were eliminated, and average wages were cut 18 percent between 79 and 89 through concessions and the conversion of a good part of the industry to non-union minimills. Workers in industries in rural regions such as meatpacking suffered draconian wage cuts and extremely brutal deterioration of their working conditions. Average real hourly wages in meatpacking fell 36 percent in a decade.

The workers in the construction industry suffered a loss in average hourly wages of 24 percent in the period from 73 to 88. But this loss in large part reflects the growing division of the construction workers into two classes. As late as 1977 half of all construction workers were union. Today only 25 to 30 percent are. The vast majority are without any union protection and make only 60 percent of the wages of the union workers. And it is among the non-union workers that you find the overwhelming majority of the minority construction workers. The union section too has suffered an erosion of wages, and competition from non-union contractors has been a big pressure for a great intensification of labor. But a good deal of the work of this section is still guaranteed by federal and state prevailing-wage laws. And the unions which have certain amount of guaranteed work have no interest in organizing the unorganized majority.

Among office workers the professional and managerial strata lost wages during the inflation of the 70's; but while the industrial, commercial and non-professional service workers lost during the 80's, this middle estate as Lenin calls it actually increased its income by 8 percent on the average, and some sectors much more. The 80's were the decade of the yuppies. Clerical office workers increased real hourly wages by 2-3 percent during the 80's. But most

likely, with the restructuring of service and financial industries and the crisis of state and local governments in the 90's, this increase has already been taken back. Moreover the figures on real wage increases do not include the increased deductions for health insurance, which may well have eaten up all the increases for clerical workers in the 80's. It should be noted that there has been a long historical trend of a relative fall in wages for clerical workers. At the turn of the century the average clerical worker made more than twice the wages of a factory worker. With the inflation of the 70's, real clerical wages fell below the wages of factory operatives. During the 80's they pretty much evened out, with factory wages falling and clerical wages rising slightly or holding steady.

Overall the condition of the American workers is deteriorating. As this condition deteriorates, the bourgeoisie shifts the worst burden onto the minority workers in terms of unemployment, denial of education, and low-paying jobs. Younger workers of all races are also especially hard hit. 75 percent of the new jobs created during the 80's were in the low-paying retail trade and service industries. The same will be true in the 90's. Although in these industries there are many high-paid professional jobs, the majority are semi-skilled or unskilled clerk, cook, orderly, cashier, and waitress-type jobs. And a growing percentage of these jobs are part time. At the same time, workers who remain in the manufacturing, transport and construction industries have suffered a sharp drop in wages and benefits, and in fact the manufacturing workers have on the average suffered greater losses than most other sectors. And there will continue to be heavy pressure for reduction of wages and benefits in this sector due to high unemployment and the continuing wage-cutting drive of the capitalists, who are positioning themselves for a much tighter world market.

The decline in standard of living of the American workers acts in the direction of increasing class contradictions. Already among large sections of workers who during the post-war boom of the 50's and 60's began to think of themselves as middle class, there is frequently heard the statement that "The middle class is disappearing. The country is dividing into rich and poor." Ever so slowly the majority of workers are losing their bourgeoisification.

At the same time the stratification within the class is increasing. While the bottom 80 percent of the workforce (the term workforce includes the petit-bourgeois professional, managerial and self-employed strata as well) lost ground to one degree or another in the 80's, the bottom half and especially the bottom 20 percent lost much more. The difference in wages between skilled and unskilled increased markedly. In 1970 the ratio between the wages of electricians and janitors was 1.78 to 1. Today it is 2.41 to 1. The lower strata, particularly the minorities in this strata, suffer higher unemployment and are more likely to get stuck with part-time jobs in the growing service and retail trade industries.

A current breakdown of the workforce in the U.S. would be:

25% professional, managerial;

3% technicians (these probably should be divided between intelligentsia and skilled labor);

5% foremen and supervisors.

---

33% *petit-bourgeois strata* that has been doing quite well but sections of which are now being thrown down into the working class during the current crisis

10% skilled workers who have suffered less during the 80's than the rest of the workers but are now experiencing some heavy unemployment, especially those in construction. (This section includes craft workers, machinists and other skilled production and process workers.)

15% clerical workers, who are overwhelmingly female and paid the same as factory workers. But there are wide differences in this strata not only as regards wages but also working conditions, proximity to the bourgeoisie, etc., from executive secretaries to postal LSM operators.

15% unskilled and semi-skilled factory workers, truck and bus drivers, warehouse workers, etc., who have generally suffered a great decline in real wages and benefits and much greater job insecurity. (The degree varies here from industry to industry as pointed out earlier.) 25 to 30 percent of these workers are minorities, one-third are women.

10% unskilled and semi-skilled service workers in restaurants, hospitals, building cleaners, etc. These are among the lowest paid. 30 percent of these workers are black and latino, a majority are women.

11.5% retail sales workers, including floor sales workers and stockers and cashiers. The majority of these workers compete with service workers for the lowest pay and suffer even more from lack of benefits and part-time hours, and lost on the average 14 percent in wages during the 80's.

---

61% *working class*

5.5% *miscellaneous*: farmers and farm laborers, cops, security guards, private household workers.

The unskilled and semi-skilled workers in factories, service industries, stores, and in the transportation industry, and the lower clerical workers, still form the majority of the working class. And the overwhelming majority of these workers are just getting by. They are working harder and faster for less. In many cases, much less. In addition there is a huge army of unemployed that now amounts to 10 to 15 million. It is this lower mass upon which we must base ourselves. And it is this section, as the Los Angeles rebellions show, that is most being radicalized by the effects of world capitalist stagnation and U.S. imperialism's relative decline.

### **Important demographic changes in the working class, and the fight against racism and sexism**

Meanwhile there is a drastic change in the national and sexual composition of the workforce going on. Currently

only 15 percent of the people entering the workforce are white males. The other 85 percent are women and minorities. Native-born minorities and immigrants, mostly of color, account for 42 percent of new workers. White women account for 42 percent, and overall women account for 64 percent of new workers. Overwhelmingly women and especially minorities are concentrated in the lower-paying service, sweatshop and clerical jobs or unemployed. It should be noted for example that while black men constitute 7.7 percent of the new workers, they can only expect to get 3.8 percent of new jobs if current trends continue. The historical tendency of the division of the working class into upper and lower strata along national and sexual lines is increasing sharply. It seems to some degree to be returning to the proportions that existed before World War II. Only this time, Latinos and Asian immigrants replace the Southern and Eastern Europeans and join blacks as the mass of the lower strata. The need for escalating the fight against racism and sexism has never been greater.

### What is the significance of the relative decline of the weight of manufacturing and the industrial proletariat?

The figures on the strata of the working class and of the workforce show that there is an enormous weight of not only a labor aristocracy holding down the lower masses, but an even larger petit-bourgeois section. During the 1980's the industrial proletariat shrank in absolute terms. But it has been decreasing in relative weight since the 50's as the U.S. makes a transition to a service economy. Meanwhile, for over a century there has been a steady growth of the professional and managerial strata. These strata grew especially rapidly during the late 60's to mid 80's.

One is reminded of the quote from Hobson that Lenin used in his work *Imperialism, the Highest Stage of Capitalism*:

"We have foreshadowed the possibility of even a larger alliance of Western states, a European federation of great powers which, so far from forwarding the cause of world civilization, might introduce the gigantic peril of a Western parasitism, a group of advanced industrial nations, whose upper classes drew vast tribute from Asia and Africa, with which they supported great tame masses of retainers, no longer engaged in the staple industries of agriculture and manufacture, but kept in the performance of personal or minor industrial services under the control of a new financial aristocracy." (Sec. VIII)

Is this what has happened in the West in the post-war period, because this phenomenon is not confined to the U.S.? The percentage of the workforce involved in manufacturing industries (this includes the office workers and professionals) is only 18 percent in the U.S., 17% in Canada, 16% in Australia, 24 percent in Japan, 22 percent in France and Italy and Britain, and so on. Only Germany,

which has a big export economy, has maintained a relatively high level of manufacturing with 32 percent of the workforce in manufacturing. (German figures are also weighted by the fact that it has a much lower labor force participation rate than the U.S. — 53.4% as compared to 65.9% for the U.S. When you adjust for the lower labor force participation rate, Germany would be about 26%.)

In the U.S. most consumer electronics and a large percentage of auto and heavy electrical parts, clothing and now even machine tools are produced by workers in other countries. A large part of U.S. manufacture is devoted to military hardware. Indeed the shift to service economy does *in part* reflect the parasitism of U.S. and other Western countries. *But there are also other factors*, which are probably even bigger factors.

1) Productivity increases much faster in manufacturing than the capacity of the masses under capitalism to consume manufactured goods. (In fact in the U.S. and other advanced countries it is not difficult to see the possibility of manufacturing productivity increasing faster than the socialist capacity of the masses to consume manufactured goods. Marx and Engels envisioned such a development when they talked of reducing the amount of the working day spent in the production of goods to a couple of hours under communism). Meanwhile the need for service industries, which so far have had a rather slow growth in productivity, increases faster than the need for goods. According to a study by the Hudson Institute commissioned by the Commerce Department, in another century we could be down to 2 or 3 percent of the workforce engaged in the production of goods. Manufacturing may follow the same path as agriculture before it. If capitalism lasts another century this may not be such a far out prediction considering that manufacturing production workers are already only 11 percent of the workforce as compared to 22 percent 40 years ago.

2) The increase in the number of women working tends to make many services that were previously performed outside the capitalist economy become commodities and creates new needs as well, such as food preparation, care for the elderly, day care for children, stores that are open longer hours, etc.

3) The higher level of technology and faster technological change require not only more engineers and skilled maintenance workers and more literate production workers, but more teachers, etc.

4) Besides the parasitism of the medical establishment, the aging of the population necessarily increases the relative portion of the economy devoted to health care.

Thus even in Taiwan, Singapore and Malaysia we see a decline in the weight of the industrial proletariat, even as its numbers are slightly increasing, and a faster growth of the service sectors and professional, managerial strata.

So you have both the factors of parasitism and of structural changes in the capitalist economy. The development of the world toward a multipolar imperialism tends to undermine the ability of all the imperialists to develop

their parasitism unchecked. Moreover, even where they exploit the workers of the less developed countries more intensely for the production of a greater part of their manufactured goods, they are less able to provide a decent standard of living to the workers in their own countries. In the 1980's we saw a big increase in U.S. parasitism, yet for the majority of workers things got worse. During the 1980's in Europe and Japan the employed workers enjoyed real wage increases from 6 to 13 percent. The standard of living for workers in Germany, the Scandinavian countries, and Switzerland is now at approximately the same level as the U.S. It is unlikely that this rise will continue. The U.S. has greatly reduced its manufacturing labor costs, and growing international trade competition is more likely to create a whipsawing effect, lowering the wages of workers in all countries, and eventually more intense class struggle. In addition there is some indication that the U.S., which has gone furthest in exporting its manufacturing and converting to a service/corporate headquarters economy, will have to slow down this transition. It has a huge trade deficit and is selling off some of its capital assets to pay for it. (This has gone to the point that foreign direct investment in the U.S. exceeds U.S. direct investment abroad, and the amount of profits and interest the U.S. pays out to the rest of the world now is equal to what it takes in from the rest of the world. The bourgeoisie and labor hacks are upset about this and cry that the foreigners are taking over. To us it does not matter who we are exploited by, and this does not affect the fact that the American bourgeoisie still exploits us and workers all over the world. It just means that they are forced to share the privilege of this exploitation with other bourgeoisies more than before. But it is unlikely that the bourgeoisie of other countries are going to extend this kind of credit forever where their capital is eternally tied up in the U.S.) Sooner or later the U.S. will have to start exporting more and importing less or the dollar will fall so much that it will make export of capital and repatriation of profits more difficult and further drastically undermine U.S. financial power. One way or another, the U.S. will be forced to make an adjustment and export more and import less. And indeed the dramatic lowering of wages in the U.S. that has been and is continuing to go on, is a major factor for the bourgeoisie in resolving this crisis. Thus there are factors in the imperialist system which both accelerate and impede the relative decline of the weight of the industrial proletariat and the growth of service sectors and professional strata.

At the same time the whole historical development of capitalism of subjugating one field of human activity after another to commodity production will continue to foster the relatively faster growth of service sectors. And the growth in the complexity of technology and the complexity of the society also foster the growth of professional and technical strata, regardless of the fortunes of any particular imperialist power.

### Some questions

The growth of the professional strata, the decline of the relative weight of the industrial proletariat in the industrialized countries, the conversion to a service economy, and the increased export of manufacturing raise serious theoretical questions which we can only begin to ask at this time.

For example: does the decline of the relative weight of the industrial proletariat mean that revolution as we have conceived, with the industrial proletariat at the center, is becoming impossible? Will other sectors of the working class play a more central role in the movement and the revolution? Will we have to wait until capitalism proletarianizes and more concentrates the new sectors that have grown up in the industrial countries? Or is it simply a shorter or longer time before the lower mass already in service industries, the sweatshops, the non-union construction sites, the unemployed, and retail trade workers become aware, as Engels said, that they are this mass in motion and begin more conscious struggle? The Los Angeles rebellions, and the recent militant strikes and actions in Southern California, seem to indicate some development in that direction. And certainly the growing crisis of capitalism is tending to radicalize wide sections of workers. Consideration of these questions is important in thinking through where we concentrate our forces.

One of the side effects of the decline of the weight of the industrial proletariat is the relative increase of the role of skilled workers among the manual section of the working class. I had pointed out earlier that from 1870 to 1910 the weight of skilled workers among urban manual workers had declined from 63 percent to 30 percent. But since 1940 their weight has risen to 40 percent: not because of an increase in the percentage of skilled workers in the overall work force (this has been constant for almost a century), but because of the elimination of unskilled factory work, first laborers and then machine operators with automation, and due to the slower growth of unskilled manual labor jobs in the service industry. If we include the intelligentsia (i.e., the professional and managerial strata), then overall the skilled section of the workforce is increasing. Is this a permanent trend or will further technical development break much of the skilled and professional work into simpler, non-skilled tasks? It would seem that technical progress works in both directions. On one hand, technical progress continually simplifies and deskills work. In the next couple decades this could deskill a lot of work in such large fields as medicine and even primary and secondary education. Much maintenance work could be deskilled with self-diagnostics on machines. On the other hand, the rapid pace of technical and scientific change fosters the growth of skilled workers in the maintenance and installation and construction fields and of technical and scientific professionals. How these factors play out raises some serious questions for the revolution which we can only speculate on at this point.

Is the development of capitalism for a long period leading to, more than the growth of the proletariat, the growth of the intelligentsia and skilled workers as a heavy weight on the lower mass? Could the college-educated strata become the majority of the workforce? What effect would this have on the ability of the lower proletarian mass to rise up? Will we have to wait until capitalism proletarianizes a large section of what is today the professional strata? Much of this is like speculating on test-tube agriculture. Certainly there are many other factors at work that are likely to end capitalism before such a situation arises. (It should be noted that U.S. imperialism has considerably overproduced this college-educated section at the present time, even though the worldwide trend is for the growth of the weight of the intelligentsia. The overproduction of the intelligentsia is a big drag on U.S. competitiveness and will eventually get back to world norms.) But one cannot help thinking about such questions when looking at the historical development of the class structure over the last century. Moreover, opportunist theorizing on this growth of the intelligentsia as a middle estate that weighs against the revolution or as a force for reform or revolution has been going on since Bernstein. It was a favorite idea of the New Left that the working class had been replaced by the intelligentsia as the force for change. Undoubtedly this kind of theorizing will, and is, coming up again at this time when the world is in the midst of great changes. And we will have to deal with it.

What are the ramifications of the growing export of manufacturing to the less developed countries? As I pointed out before, there are factors at work that may slow U.S. imperialism's ability to shift manufacturing abroad for a period of time, but overall the trend continues in the U.S. and all the imperialist countries. What implications do these changes have for the socialist revolutions in both the "advanced" and the "less developed countries"?

For the less developed countries, clearly the much greater industrialization of the third world means that the fight against imperialist exploitation can increasingly only take the form of a workers' movement and direct socialist revolution in these countries.

For the imperialist countries the immediate effect is to create greater unemployment among the industrial workers, and to exert strong downward pressure on their wages and on the wages of all the lower strata in all sectors, as industrial workers are forced to look for work in other sectors. Wage competition with the workers of the third world is a growing reality for wide sections of the working class. Of course the labor hacks are trying to foster chauvinist hatred of the third world workers in response to this, and we must fight them tooth and nail. But also the disastrous results of competition have to raise in workers' minds the need for greater class solidarity with workers in other countries.

At the same time the tendency to turn the U.S. and other imperialist countries into the corporate headquarters, R and D facilities, and prototype manufacturing facilities

of the high tech industries, tends to foster the growth of strata of professionals and to some extent skilled workers who are more tied to this imperialist exploitation than before. How will these two tendencies play out? Here it seems that there are two other factors to consider. First, the effect of and pace of development of the contradictions among the imperialists which tends to radicalize the lower mass and weaken the ability of each of the imperialists to develop their parasitism unchecked. Second, the export of manufacture, which is going on much, much more now than in the first half of the century, must greatly accelerate capitalist development in the third world. This gives rise to proletarian movements which upset the applecart and also, after a certain amount of development, greater tendencies for the bourgeoisies of these countries to assert from an exploiters' point of view contradictions with the imperialists. □

### Bibliography and notes on sources

**Handbook of Labor Statistics**, U.S. Department of Labor, Bureau of Labor Statistics, August 1989.

**Employment, Hours and Earnings, United States, 1909-1990**. Volumes I and II, March 1991.

**Earnings and Other Characteristics of Organized Workers — May 1977**. Report of U.S. Bureau of Labor Statistics, 1979.

**The Aristocracy of Labor, the position of skilled craftsmen in the American class structure** by Gavin Mackenzie, Cambridge University Press. A study of the position of skilled manual workers and clerical workers in Providence, R.I. in late 60's. One of the most authoritative empirical studies on the question in the last three decades.

**Occupation and Class Consciousness in America** by Douglas Eichar, Greenwood Press, 1989. A survey of the different trends of analysis of class structure and stratification.

**Divided We Stand** By W.H. Form, University of Illinois Press, 1985. A statistical analysis of stratification of the working class by skill, large vs. small industry, and union vs. non-union.

**Class Power and Technology, skilled workers in Britain and America** by Roger Penn, Polity Press, 1989. Study and analysis of how skilled workers are formed into a separate stratum and hold together sociologically as a group. Also looks at trends in skilled work, changing from skilled production work to skilled maintenance,

installation and construction work with the percentage of the labor force involved in skilled manual work remaining constant. Interesting information and history of skilled workers in the industrial unions.

**History of the Labor Movement in the U.S., Volume II,** Philip Foner, International Publishers, 1955.

**False Promises, the Shaping of American Working Class Consciousness,** Stanley Aronowitz, McGraw Hill, 1973. Some interesting generalizations about the status of different ethnic groups in the working class and about the wildcat strike movement of the 50's. Not a primary source.

**Communists and the Communist Issue in the American Labor Movement, 1920-1950,** James Robert Prickett, Ph.D. Thesis, UCLA, 1975.

**Communists and the Autoworkers: The Struggle for a Union, 1919-1941,** Roger Roy Keeran, Ph.D. thesis, University of Wisconsin, 1974.

**The State of Working America, 1990-91 Edition,** Lawrence Mishel and David M. Frankel, Economic Policy Institute. Published by M.E. Sharp, Inc. A study of the changes in the standard of living and how they affect different income levels, age groups, sexes, and nationalities of the working population, 1979 to 1989. Includes not only wages but benefits and social services. Unfortunately it does not break down between workers and petit bourgeois or between skilled and unskilled.

**Workforce 2000, Work and Workers for the Twenty-first Century,** by the Hudson Institute, 1987. This was a report commissioned by the Commerce Department. It makes projections about changes in composition of the working population, what kinds of jobs will grow and what will shrink. It discusses the decline of the manufacturing base and predicts further decline even with a protectionist policy. (The report has a Reaganite bias on this question in that it thinks the export of manufacturing is just fine. The U.S. doesn't need it, and it's not parasitic to do so. At the same time it raises the serious question of a long-term trend, due to rising manufacturing productivity, for the manufacturing sector to decline in weight and predicts manufacturing will go the way of agriculture in terms of its relative weight in the economy. This assertion caused me to check the *Handbook of Labor Statistics* to see if the same trend was occurring in other countries, and it was.) It also gives information on the demographic trends of workers according to nationality and sex. It predicts rapidly growing unemployment among minorities, especially black males.

**The Deepening Crisis of American Capitalism,** essays by Harry Magdoff and Paul M. Sweezy, Monthly Review Press, 1981. Useful for some economic history of the post-World War II expansion and its basis, as well as the fact of worldwide economic stagnation since 1975.

**Head to Head** by Lester Thurow, William Morrow and Company, 1992. Some interesting insights into where the world economy has been and is going, from a bourgeois point of view. Not very thorough, though, and very much a propaganda piece to rally the bourgeoisie for his particular prescriptions for their success.

**The Making of Economic Society,** Robert L. Heilbroner, Prentice Hall, 1980. A broad, bourgeois history of U.S. economic development and government economic policy, from the 40's to 70's.

**Survey of Current Business, U.S.,** Commerce Department, June 1966, February 1986, June 1986, July 1990. A source of statistics on income on foreign investments, trade balances and GNP, and corporate profits. The statistics in my report do not include such income as income from royalties, which is significant but does not basically change the pattern. Also not included are extra profits from unfair trade. But considering that U.S. trade was until the 70's a very minimal part of the GNP (the exception being 1947-1950 when the U.S. exported huge amounts to Europe under the Marshall Plan) as compared to nearly any other industrialized country, and considering that the vast majority of this trade was with the other developed countries, it would seem that while this kind of profit was a significant form of exploitation of the less developed countries, it could not be enough to account for the rise in standard of living in the U.S.

**The United States Balance of Payments, An Appraisal of U.S. Economic Strategy,** International Economic Policy Association, 1966. It contains an analysis of the role of the trade surplus and income from foreign investment on the U.S. economy and how these offset the costs of foreign bases and "foreign aid" This is the report of an imperialist think tank.

**U.S. Economic History** by Albert Neimi, Jr. This is a bourgeois economic history of the U.S., which actually contains a considerable number of long-term statistical tables on productivity, real wages, import and export of capital, and the role of various sectors, which are useful for putting developments in perspective. The statistics go back as far as 1800 in some cases. A comrade had xeroxed relevant passages and tables, and we do not have the publisher or print date. □