

RED FLAG

NEWSPAPER OF THE INTERNATIONAL COMMUNIST WORKERS' PARTY * ICWPREDFLAG.ORG



From Paris To Seattle

WORKERS NEED TO FIGHT TO SMASH RACIST CAPITALISM WITH COMMUNIST REVOLUTION!

SEATTLE--Boeing union misleaders met with Airbus union hacks in the beginning of August. International Association of Machinists president Buffenburger wants to ally with EU unions against emerging aerospace powers like Russia and China. He hopes organizing “independent” unions will undermine the rule of these competing capitalists.

When it came to supporting French aerospace workers battling attacks on their pensions, however, he was nowhere to be seen. “After all that posturing about international solidarity the union’s silence was deafening,” commented a disgusted Boeing reader. Workers have volunteered to translate Red Flag articles into French and financially support the paper to help build real international solidarity. (more next issue)



Industrial workers in France lead a general strike

FRANCE: October 27—More than 3½ million workers and students are taking to the streets, closing factories, hospitals, refineries and ports. They have militantly confronted riot police. The students closed the universities and hundreds of high schools. The country has practically been paralyzed, showing that the workers, especially industrial workers, are those who really move society. The strike is against government reforms that would raise the minimum retirement age from 60 to 62 years and also raise the number of years needed to get a full pension.

For several weeks the workers have been unleashing their fury against the Sarkozy government. But the problem is the whole capitalist-imperialist system, which is experiencing a profound economic crisis. To get out of it, the world’s bosses are carrying out bigger wars and eventually a World War.

The French bosses, in particular, are following the orders of the European Union that all the member states cut pensions to reduce social costs. This is part of their struggle to become more competitive in the world market and to meet the costs of war.

These old imperialist countries are losing more ground and market share in the face of the emergence of the BRIC powers (Brazil, Russia, India, China). That’s why their only remaining option is war to destroy their competitors. For this, they need to reorganize their military expenditures so they can be more efficient. One example of this is the nuclear cooperation between France and Britain, with which these two allies of

the US seek to break their energy dependence on Russia so they will be able to join whichever side most benefits them.

The French workers have a long history, not only of strikes, but also of armed insurrections, beginning with the Paris Commune of 1871. Taking advantage of the war between the French and German bosses, the French workers took power in Paris. It was the first workers’ attempt to organize a society without exploitation or oppression, replacing the capitalist state with a workers’ government.

The current strike, with its militancy and the unity between workers and students, has similarities to the 1968 general strike, which involved 10 million workers—two thirds of the labor force—and millions of students. However, that movement didn’t have as its goal destroying capitalism with communist revolution. The French bosses were able to pacify the situation, with the help of the union leaders and fake communists (revisionists), by giving a few concessions.

Today’s strike, as in 1968, is reformist and the French working class still lacks a revolutionary communist leadership capable of leading it to take power for communism. But, unlike 1968, worldwide capitalism is now in crisis. The bosses can only offer unemployment, cuts in vital services, fascism and war.

The most important lesson that the workers and students of the world can learn from this huge and militant strike is the need to massively and internationally build the International Communist Workers’ Party

See FRANCE STRIKE, page 13

Oscar Grant Case Shows Need To:

Defeat Racism By Destroying Capitalism!

“Capitalism,” Marx wrote, “comes into this world dripping from head to foot, from every pore, with blood and dirt.” He was speaking of the birth of capitalism with its colonialism and slave trade.

Today that capitalism is bloodier and dirtier than ever while the USA, the principal benefactor of that slave trade, is even more racist. No matter how loudly its propagandists claim that things like the Obama election have buried it, images of the cold-blooded murder of Oscar Grant remind the world that racism is still the hallmark of US imperialism.

In fact, it’s more vicious than ever. Today more black working-class people are constrained by jail, prison, parole or probation than were enslaved in 1850, a decade before the Civil War. The courts’ bracelets have replaced the masters’ chains!

Between 1980 and 2005, the cops murdered 9,500 workers and youth – a figure that far outstrips the 4,700 lynchings between 1882 and 1968. The Klan in blue is more lethal than the Klan of old!

It was the anger and disgust at this

racist hell that fueled the protests as the world watched first the execution of Oscar and then the muted, guarded response from official USA – the Mayors, Senators, Congressmen and now, the courts.

The legal system that imprisons more racial and ethnic minorities than any other country in the world cannot even convict a murderer of murder. Asking for justice from such a system is futile at best and misleading at worst. It rests on one of the main lies promoted by liberal capitalism: that the courts can be objective, fair and even anti-racist.

Racism and capitalism

Racism, however, is a necessary part of capitalism which is a system built upon the exploitation of the vast majority (workers) by an elite minority (capitalists). Such an obviously unbalanced class system could not exist for one minute without the creation of a State – a government – that appears to be neutral.

The Congress, the courts, the education system, the Armed Forces and all the ‘services’ of the government protect or expand the interest of the capitalist class, although they

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US BOSSES SPEED UP PLANS TO INVADE IRAN

As the US bosses' economic crisis deepens and their losing streak in the Middle East continues, they are desperately lurching from wars to greater wars to World War III, hoping to stop the sun from setting on their empire.

Iran is a mandatory step on the road toward regaining absolute US control of the fabulously oil-rich Middle East, the cornerstone of the US empire since WWII.

This is why the US rulers are using Iran's nuclear ambition as an excuse to invade and occupy it. Iran, however, is just a piece in the US-China-Russia struggle for world supremacy. "Capturing" Iran will in no way end this game. It will only accelerate these cold-blooded mass murderers' military confrontation.

The Council on Foreign Relations recently hosted a meeting on the future of American power in the Middle East. The influential Senator Joe Lieberman declared:

"We have now come to the moment in this long struggle when the Iranian regime must understand that we will not wait indefinitely for sanctions to work. As ... Foreign Affairs Chairman Howard Berman warned last week, we are talking about months, not years." (www.CFR.org, 9/28/10)

Lieberman urged Obama to assess US policy by the end of the year "to determine if the current strategy towards Iran is working. If it has not...we will need to begin a national conversation about what steps should come next. This inevitably will involve consideration of military options."

Have no doubts that such a "conversation" is already underway. Don't be surprised as Obama and his administration use patriotism and racism against Iranians and Arabs to try to win US workers and youth to sacrifice "blood and treasure" for their bosses' profits and empire.

fits and empire.

China's Rise Gives Urgency to US Iran Invasion

"The US is trying to ensure that China does not fill the gap left by other countries" as Iran sanctions take hold," explained an Obama administration official. ("Obama faces pressure over Iran policy," *Financial Times*, 9/29/10)

With 10% annual GDP growth and an ever-expanding trillion-dollar purse, China is gobbling up strategic reserves of oil, mining and mineral reserves from Africa to Latin America, and from Australia to the Middle East. Along with this economic invasion comes growing Chinese political and military influence (see p. 13).

China's growing economic presence in the Middle East is a dagger aimed at the very heart of US imperialist strategy. Short of successful military action, first against Iran and eventually against China itself, the US bosses can't hope to stop China's rise.

When China recently replaced the US as Saudi Arabia's biggest oil buyer, the president of the Saudi state-owned oil company said, "We believe this is a long-term transition. Demographic and economic trends are making it clear - the writing is on the wall. China is the growth market for petroleum." ("A year of milestones in Saudi Aramco's relations with China," *China Daily*, 9/23/10)

GCC Countries Cozying up to China

Other members of the Gulf Cooperation Council (GCC) - the United Arab Emirates (UAE), Kuwait, Bahrain, Oman and Qatar - also saw the same writing on the wall. Last March, they hosted the first GCC China Business Forum in Bahrain,

They plan to increase their trade with China from \$70 billion to \$350-\$500 billion by 2020. They hope to diversify their oil-dependent economies by incre-

asing the production of phosphates, aluminum, natural gas and plastics for China's and Asia's growing markets.

The GCC possesses 45% of the world's oil reserves and is crucial to US imperialism's military control of the Persian Gulf. Bahrain is home of the US Navy's Fifth Fleet. The US Central Command, responsible for the Middle East and Central Asia, resides in Qatar. Kuwait, Oman and the UAE host US military bases. Saudi Arabia has close military and security cooperation with the US.

For now, the GCC is staunchly entrenched in their military orbit, but the US bosses know this can change. The longer they wait to move against Iran, the stronger its influence and that of pro-China elements among the Arab rulers.

If the US regains control of the region, it will clip the economic and military wings of a rising China and crush Russia's dreams of world energy domination. This is unacceptable to either China or Russia. World War III will decide which imperialist butcher controls the Middle East and rules the world.

War is always the conclusion of capitalism's dog-eat-dog logic. But the workers, soldiers and sailors who make and wield every weapon in the capitalists' armies can turn the bosses' wars into communist revolution.



The coming military draft—

OPPORTUNITY TO ORGANIZE SOLDIERS FOR COMMUNIST REVOLUTION

The top US imperialists face a daunting dilemma. They urgently need to invade Iran, and will eventually inevitably confront China and/or Russia in a world war (see above this page). How will they get the hundreds of thousands and even millions of soldiers they will need?

They can't really count on their over-stretched military. Already bogged down in the Iraq-Afghanistan-Pakistan wars, it is under severe duress. For their Iran dilemma, they had short term temporary solutions. They were pinning their hopes on Obama passing the DREAM ACT and the Comprehensive Immigration Bill. This would have given them a "green card" army: hundreds of thousands of undocumented youth would either serve in the military or be deported. Rescinding the "don't ask, don't tell" law would also give some extra troops.

So far, these plans have been blocked by the forces among the US capitalists who won't fund an expensive Iranian adventure and don't want to face down China and Russia. Unless they can prevail over these forces, the top liberal imperialists will have to institute the draft quickly. Either way, to fight China and/or Russia they will eventually need the draft.

Rebellious soldiers and a massive anti-war movement against the Vietnam War put the draft to rest. Ever since, the US bosses have been afraid to even mention it. Their need to resurrect it underlines the fact that their foreign lackeys can't defend their em-

pire. They must now do it themselves.

Their recruiters have been relying on the racist "economic draft" to meet their quotas. But, that is no longer enough and patriotism is not inspiring many youth to join. The draft is their only option, even though they know that it will trigger tremendous anger and a mass movement against it and the war. The Vietnam Syndrome - massive rebellions of GIs and sailors, and hundreds of officers "fragged" - still haunts US rulers.

Communists in ICWP welcome the draft as an opportunity for our communist youth in the military to organize for revolution. Many youth being forced to fight for the bosses' profits and empire will be open to our communist ideas and will join ICWP.

That doesn't mean that we will wait for a draft to step up our work in the military. But it shows the urgent need to massively spread communist ideas among the youth. Once embraced by the youth, these ideas will become a "material force" that will change history.

Communists don't fear war—we prepare for it. Soldiers, sailors and marines played a key role in the Russian and Chinese revolutions and the anti-racist, anti-imperialist rebellions against the war in Vietnam. Without soldiers there can't be a revolution.

We hold that it is imperative for communists to work in the bosses' armed forces. We rely on working class soldiers, sailors and marines and industrial

workers to build and lead a movement to turn the guns on the war-makers, to make a communist revolution and to build and defend the communist society.

ICWP will also fight for our communist politics inside the mass organizations which organize those youth who will seek to avoid the draft. We will point out that building an anti-draft movement is based on the deadly illusion that capitalism can be made to be peaceful. But the essence of dog-eat-dog capitalist competition for profit makes wars and world war inevitable. We will struggle with these youth to see that only a communist revolution can end this capitalist hell.

We will struggle with them to go into the army to organize soldiers for communism, but if we can't win them to do that, then we'll struggle with them to go into the factories to organize workers or to organize among the youth for communist ideas.

History has shown that soldiers, workers and students will fight enthusiastically and heroically for the vision of communism. Unfortunately, the old communist movement's vision of communism passed through failed socialism. We in ICWP fight directly for communism. We're confident that workers will lead in every aspect of the fight for communism—in the bosses' military and their factories—as well as in every aspect of building a communist world. Let the bosses start their wars and institute their draft! We'll end them with communist revolution!



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SOLDIERS, SAILORS, MARINES: INDISPENSABLE FOR COMMUNIST REVOLUTION

CALIFORNIA--Today we visited Oceanside. With us came two female high school students that were there for the first time. A few days earlier, they both had taken part, also for the first time, in the *Red Flag* Readers and Distributors Group. At that meeting, we read and discussed the letter written by the young comrade who had joined the military to organize for revolution. We invited everyone to come to Oceanside and visit Marines.

On the way there, we read two articles in *Red Flag*, "Top Brass Expose Marines to Cancer" and the article that talked about the new peace agreement with the Taliban. Reading and discussing the articles prepared us to present our revolutionary communist newspaper to the Marines.

When we arrived in Oceanside there were seven of us. We divided ourselves into three groups. We all had a great experience, especially the two new young women that came. At first, they were a bit apprehensive when approaching the Marines with *Red Flag* and starting conversations. But after observing in-

tently and after being reassured and encouraged, they were presenting, offering and discussing *Red Flag* to the Marines that we encountered in the streets of Oceanside.

"We are here offering *Red Flag* to Marines," said one of the young women to three Marines that were approaching. Pointing to the title of an article from the newspaper, she added, "This article talks about how some Marines had developed cancer due to the fact that they were exposed by their superiors to contaminated water and also here is this one that talks about how top military brass, together with the US government, are preparing negotiations with the Taliban to pacify Afghanistan and then be able to prepare a huge assault and a possible invasion of Iran." She ended by adding, "Would you like to take the newspaper so you can read more about it?" Each one of the three Marines took their own copy of *Red Flag*.

In another case, two young sailors said, "Yes, this government is even more corrupt than those we are going after." They also took *Red Flag*.

Another team met up with a multiracial group of Marines (black, white and latino). A good discussion took place. "We believe that the interests of those that are in the armed forces, like yourselves, or those in the Army, the Navy and others, lie with the interests of the international working class of organizing a revolution and if we want a revolution you guys are indispensable". And we added, "It is especially in the Armed Forces that multiracial unity exists." They smiled and all of them took *Red Flag*. In less than an hour and a half, a total of 51 *Red Flag* newspapers were distributed.

Comments from a High School Student Who Visited Oceanside

"Today I had a good experience. I think it was real cool seeing the reaction of the Marines that we talk to. Even though there were some that did not like what we said. Also, I know that I am going to seriously consider joining the military. In order to have a revolution, we need all the help and effort we can get. We have to 'seize the day.'"

MEXICO: ICWP BREAKS AND EXPANDS THE LIMITS

MEXICO—The new party (ICWP) has given us the possibility to seriously improve our practice. The collective that I work in has become more critical and reflects political clarity in our practice. In each meeting, the comrades sharpen the contradictions and always push to break and expand our limits, to grow, to be consistent. *Red Flag* (RF) has helped a lot, for example, the articles about the relations of the couple and sexism has pushed us to sharpen the contradictions with three couples in our collective and to change our daily actions.

In the capitalist media, we hear anti-communist lies and propaganda. But this must be the motor that pushes us to redouble our efforts to fight for communist ideas. Currently our most important means of communication is *RF*. It's a pleasure to read that another person has joined the organization or when we read about the great efforts that workers in other parts of the world are making to build ICWP.

It's urgent to break our limits, which is why we propose to distribute and sell more copies of *RF*. We have sold and distributed 200 copies of the last 3 editions (600 in all) in classrooms in a university in the center of the country.

It's the first time that I've had an experience like this. At the beginning I was nervous and even though I haven't yet spoken to groups of youth, another comrade does it and I know that next time, I'll do it. We take some minutes of the classes to put forward communist ideas and sell RF. Some teachers are interested, others get a little nervous, but finally allow us to distribute the paper and put forward the ideas of

ICWP. The youth accept these ideas well. Some don't have money but ask for the paper to read and some, with effort, give a few pesos. In the recesses, you can see the youth reading *RF* in the halls or taking it home in their books.

The second time, we distributed the paper and didn't sell it. Afterwards we discussed how selling it is better. *RF* should be sold, not just distributed. Even when someone can only give a peso for the paper, it helps guarantee that they read it; besides we have to build the consciousness that this is the workers' paper and we should all finance it to guarantee the reproduction of the paper and to increase the network of readers and the growth of the Party.

The time that we distributed the paper and didn't sell it, there was a workers' strike in the university, so we distributed *RF* to the university workers and students outside the school. A worker was interested in the paper and we talked about communism and the atrocities that capitalism carries out in our society. After a while the worker helped me distribute the paper while we kept talking. He asked if he could send a question to *RF*, and it was made clear that the paper belongs to the whole working class and that we all can write to it. He assured us that he would conti-



nue reading the paper from the internet or when we came to bring it to him.

We are also breaking the limits in following up with the regular readers. They are equally valuable and they guarantee that the paper is growing on a solid foundation. At first, we distributed 5 papers hand to hand, now we've raised it to 16 (among them, workers, students and house wives). As communists, our daily life must be guided by the political line of ICWP, we are spreading to all our class brothers and sisters the desire to fight to win communism.

REPORT FROM SPAIN

SPAIN—Once more workers went into the streets and showed that the united working class is potentially unstoppable. On Sept 29, ICWP distributed *Red Flag* newspapers among the participants of a strike, and some of the opinions were that they would continue reading our literature.

One of them said, "The working class has to be informed; that's the way (with *Red Flag*) to be able to defeat this murderous capitalist system." Another said, "Right now we'll show that communism is the only solution to the workers' problems." A sanitation worker to whom we've given Red Flag was happy to see us and said that she wanted to stay in contact with us to read and study dialectical materialism. She also added, "It makes me furious to know that these unions only use the working class for their own interests. We need to fight unceasingly against this system." We ex-

plained to her that the unions are reformist and that we don't fight for reforms. We fight for communist revolution. We have committed to following up with her so that she learns more about the contradiction between reform and revolution.

The situation in Spain is getting more complicated than ever. The rulers are implementing new pension reforms which will force workers to work more years before retiring with a pension. Labor reform favors layoffs, since it substantially reduces the compensation for being fired, at the same time favoring the bosses, making it much easier to consent to cheaper compensation simply by arguing that the company has suffered losses. In this way they can squeeze more exploitation that the capitalist system needs, using the masses of workers as objects that only serve for one end: to produce for profit.

ICWP is fighting to destroy the capitalist system

and defeat the reforms that the union sellouts use throughout the world. The sharpening of the struggle and the need to build a communist system means that we members of ICWP work every day to build a red army that will destroy capitalism once and for all. Long Live Communism! Long Live ICWP!



Elections Chain Us to Capitalism

US: BOSSES FIGHT OVER WAR STRATEGY

The US November mid-term election takes place as unemployment is skyrocketing—for US youth from 20 to 24, official unemployment is over 17%, double that for black youth. It takes place as US bosses are preparing to invade Iran, increasingly locking horns with the Chinese bosses and preparing for WWII (See articles on page 2 and 13.). Yet, the topics of war and the inevitable military draft are being avoided by all candidates.

Short of civil war, elections are used by the bosses to “peacefully” settle their differences. Elections also, by making workers believe in something called “democracy,” chain us to their capitalist system, while masking the bosses’ vicious class dictatorship. But the bosses are worried because fewer workers are participating in their electoral farce.

The alternative to the bosses’ cynical charade is to join the International Communist Workers Party (ICWP) and become fighters against the dictatorship of capital and for the communist dictatorship of the workers. Only communist revolution can eliminate capitalism’s unending crises, racist unemployment, police terror and imperialist wars.

These elections reflect the bosses’ sharpening fight over how to maintain the exploitation of the working class, and how to defend their declining empire. Their squabble is over whether to mobilize society for all-out war against Iran now and China later, or unleash their Israeli allies to do their dirty work of bombing Iran. They are also fighting over how much to tax their fellow capitalists’ profits to pay for wider war and a fascist police state. But they are united in attacking us harder. None represents our interests.

Some plans of the top imperialists have been blocked in Congress by Tea Party or neo-cons because these don’t want to pay for military adventures in places that have little to do with their profits. The liberal imperialists saw their Dream Act and Compre-

hensive Immigration Reform stalled. These bills were their plans for a green card draft before invading Iran. They also had to temporarily put on hold the rescinding of the “don’t ask, don’t tell” policy. In these elections, the liberal imperialists are trying to mobilize workers to defeat their opposition’s candidates.

The Democratic Party and media are begging and nagging disillusioned Obama supporters to vote for the “lesser evil” democrats because the other choices “mean fascism” Many who supported Obama are sorely disappointed. All of the attacks he promised to end are worse. His “withdrawal” from Iraq has left 50,000 troops indefinitely there and 100,000 fighting in Afghanistan.

Obama’s police agencies have increased surveillance and racist terror. ICE achieved record deportations numbers. His “good war” has expanded to Pakistan, carried out with death squads and drone attacks that slaughter untold numbers of civilians. Those who vote for the Democrats to stop fascism and war are voting for the *bigger* fascists who are hell bent on wider war..

The Tea Party is capitalizing on voters’ disillusionment with Obama by building a racist movement, and the Republican neo-cons are fighting to wage war on the cheap.

Hardly covered by the media, at least one group of candidates seemed to have a debate over the war. The Tea Party has two factions: the libertarian-oriented isolationists linked to Texas Congressman Ron Paul, and the neo-con hawks spurred on by former Alaska governor, Sarah Palin. The isolationists, who are small and have little money, have been

selectively opposed to the Iraq and Afghanistan wars as part of their small government mantra.

The neo-con hawks are fighting to take over the Tea Party, including their “shrink government” message. Their position is that the military budget should NOT be part of any government cutbacks. Led by Sarah Palin, they argue that only non-military programs – particularly those regulating businesses – should be cut, in addition to education, health, and Social Security.

Make no mistake; whatever is not discussed in the campaign, particularly war, is already being planned. Communists in ICWP see war as both a danger and an opportunity. WWI and WWII produced the conditions for the Russian and Chinese Revolutions. Don’t vote, join us to guarantee that in the midst of the looming dangers, we will seize the opportunities to build a massive ICWP to smash capitalism and build a communist society. Under communism, rather than voting for some to govern us, we’ll govern ourselves and run every aspect of society to meet the needs of the international working class.



Racist Cops Mean:

KILL THE CAPITALIST SHARK

Los Angeles – The police cold-bloodedly murdered a black youth, 18-year-old James Davis on October 7, shooting him twice in the back at the Imperial Courts housing project in Watts. The cops claimed that Davis either pointed or fired a gun at officers, but eyewitnesses said Davis was unarmed and had his back turned to the cops with his hands locked behind his head when the cops executed him. Angry friends and neighbors gathered at the scene to denounce and yell at the cops. This continued for several days. Fearing a rebellion, like those following the murders of Manuel Jamines in Westlake and Oscar Grant in Oakland, the LAPD issued a tactical alert with 50 units at the scene. Neighborhood clergy arrived a few days later to try to calm workers, to put their faith in a “justice” system that attacks us and defends the bosses’ profits.

ICWP took **Red Flag** to Imperial Courts where we were welcomed by residents angry about this racist murder. Many gratefully took the paper and leaflet and suggested other friends of James Davis that we should talk to, which we did. Two young comrades talked to youth about the murder and the need for communism.

This murder came just 30 days after the racist police murder of Manuel Jamines. The bosses are increasing their fascist police terror as racist unemployment grows and the system proves more and more incapable of meeting workers’ needs. But their terror is a two edged sword as angry, rebellious workers are open to Red Flag’s communist ideas.

A few days later, ICWP, armed with **Red Flag**, attended two protests against police murders where we

distributed 160 copies of our paper. Although the liberal reformists who organized these events rejected our revolutionary ideas, most of the other people there welcomed them.

The protest against LAPD murders, including that of Guatemalan day-laborer Manuel Jamines drew about one hundred fifty mostly college-aged people. None of the speakers connected police murder to the capitalist system. Especially during times of crisis, the bosses terrorize the working class in preparation for the world war they inevitably must have against their imperialist rivals.

One comrade and a young woman talked about this while about ten others joined in and all agreed that police murder is necessary for the capitalist system and that, to end it, the system must be smashed. A business major said, “I’d like to see a communist society. But it’ll never happen here...people are too comfortable.” “People change fast when they see – and feel – how war is affecting them in a big and immediate way,” we said. “They will want to see a big change then.”

A community college freshman was very open to our ideas and had many questions. We talked about how capitalism places little value on workers’ lives and about how, under communism, workers will lead a society in which we produce directly for the needs of our class, as opposed to ever higher profits for the bosses.

The next day, at an LA protest against the murder of Oscar Grant in Oakland (see article page 1), most demonstrators again welcomed our ideas. On our way to the demonstration, we met a young black man with

whom we talked about the recent upsurge in police murders. “Protests won’t do any good,” he said. “They never change anything.”

A veteran comrade said, “We have to fight back. I’m a child of the ‘60s...sometimes we did change things...for a while.” Then she thought for a moment and said, “You know, you’re right. Nothing has ever really been done to punish the cops who murder workers! The only solution is for the working class to organize to smash capitalism and establish real communism.”

The young man said, “We need to get a bunch of gangsters with AK-47’s and kill these murdering cops.” “We have to organize and get rid of their masters. Otherwise, there will be more murdering cops to take their place,” we said, and he agreed. “The cops are like teeth on a shark,” we said. “When a shark loses a tooth, it has countless others to replace it. No, to keep the shark from biting you, you have to kill the shark.”

Later, the veteran comrade said, “I’ve been fighting against my reformist ideas for years – and that short conversation really helped me.”

In a conversation during the protest, after we explained the goals of ICWP, three young people said, “I agree! This system is no good!”

These experiences showed us that workers and students are seeing that this system can’t serve our needs and that we must replace it with a society where, as the International says, “the international working class shall be the human race.”

LATIN AMERICA: US-CHINA SHOWDOWN NEARS

In 1823, rising US imperialism issued the Monroe Doctrine warning European imperial powers not to dare encroach on the newly-freed former Spanish colonies in Latin America.

However, the US rulers could not stop the inter-imperialist rivalry over the region. From the French intervention in Mexico in 1861 to the Spanish-American War of 1898 and then German attempts to gain influence in the early 20th century, Latin America remained an imperialist battleground. More recently, European and Soviet capitalists supported armed conflicts in Central America against US-backed regimes from the 1960s through the early 1990s.

Neither could the Monroe Doctrine prevent other imperialists from making major inroads in the region. Today the European Union is the main investor in the area, with a cumulative foreign direct investment of \$620 billion, compared to \$350 billion from the US.

However, it is newly-arrived capitalist China that poses the US bosses’ greatest challenge. China’s growing need for grains, oil and other natural resources, its cheap manufactured goods, and its huge monetary reserves make it a formidable contender, difficult for the US to contain or to match.

Chinese Bosses’ Growing Influence in Latin America

Over one-fourth of China’s imports of primary products (from farming, mining, fishing and forestry) come from Latin America – more than from any other single region. China is second only to the US as an importer of commodities and goods from the region. Latin America commands a market of 560 million consumers and a gross domestic product of \$4 trillion.

China’s trade with Latin America grew tenfold between 2000 and 2007, reaching \$142 billion in 2008.

Eager to expand their exports and break their dependence on the shrinking US market, the Latin American rulers are cozying up to the Chinese bosses. Chinese studies programs are offered throughout Latin America’s universities and institutes. Tens of thousands of students are learning Mandarin.

The infrastructure needed to accommodate this growing trade is being developed. Pacific ports such as Ensenada (Mexico), Buenaventura (Colombia), Manta (Ecuador), Callao (Peru) and Iquique (Chile) are being expanded and modernized. Paved roads over the Andes from Brazil’s Atlantic coast to these Pacific ports are also under construction and will likely be open starting in 2012.

Chinese Imperialism Boosts Anti-US Regimes, Propels Brazil’s Rise

Hugo Chavez and his nationalist policies have incurred the anger of both the US and European imperialists. Yet he manages not only to survive but to build and expand his “anti-imperialist” ALBA bloc mainly with the help of Chinese imperialism.

China has bought increasing amounts of Venezuelan oil, invested in its oil fields, and has loaned money to the Chavez regime. This has allowed Chavez to meet his international monetary and energy commitments (even when the price of oil dipped below \$40 a barrel) and to fund social programs at home, the basis of his massive popular support.

China has played a similar role in Ecuador, providing a \$1 billion loan to meet its foreign debt obligations, investing in its oil industry and financing a \$2 billion hydroelectric project.

Other ALBA members - like Bolivia and Cuba, which have major energy deals pending with China - have very generous energy and financial deals with Venezuela that have enabled them to

survive US imperialism’s pressures.

China’s economic links are even greater with the less-openly anti-US MERCOSUR, headed by Brazil. Last year it displaced the US as Brazil’s main trading partner. China’s economic ties are propelling Brazil’s rise as a regional and even a world power challenging US imperialism’s control of South America. (More about this in a future article)

China is also the second-largest trading partner of both Chile and Argentina. Even Mexico and Colombia, the US bosses’ staunchest Latin American supporters, are among China’s main regional trading partners.

Military Confrontation Looming

Short of a US victory in war, China’s rise is unstoppable and the US decline is irreversible. Both know it and are preparing for it. The US has expanded its military bases in Latin America and has resurrected its Fourth Naval Fleet. China and its ally Russia are arming their clients with sophisticated weapons. Russia announced plans to build a nuclear reactor in Venezuela.

The collision is inevitable. It is just a question of time.

Workers in Latin America and around the world must understand that we have no stake in the victory or defeat of any particular imperialist or any national capitalist class. In the present epoch, capitalism can only project butchery and destruction.

The working class is the class of the future. Our time has come. But our rise requires communist revolution and the International Communist Workers’ Party to lead it. Let’s make capitalism’s journey into its grave irreversible by spreading *Red Flag*, joining and building ICWP and fighting for communism.

Break the Spell over America

I had actually voted for Obama as my last-ditch effort to support what I thought would mean change in a democratic society. Instead, what I have realized is that a change in the old guard does not equal change in the system. There is more of the same! Obama is actually more dangerous than Bush ever was for a couple of reasons. The first is that he has turned a bunch of people that were ready for revolution into complacent fence-sitters. The other is because his policy and prior campaign promises have all been lies. He is actually supporting Bush’s old policies and ramping up the war effort he

said he would end. It’s hard to talk about a black president without being called a racist, and I am black. You can’t even disagree with the choices he has made that support the bosses without people getting defensive and backing down on any real revolutionary change. We need hard-core leadership that can break the spell! The spell over America is that capitalism helps the working class. Consumerism is an endless cycle of “make and waste” of the earth’s natural resources for profit, but not for our pockets. It only supports the bosses. We will never progress with serious change until we break the system that breaks us.
—Black Red – E-Dubb

Wikileaks: US War Crimes Demand Anti-Imperialist Response

The Wikileaks website released 400,000 US military documents on October 22, providing damning evidence about the US military’s crimes and lies in Iraq from 2004-2010. Now the US rulers and their media mouthpieces are shamelessly trying to spin these documents to push for an all-out assault on Iran (see editorial, p.

2). Many who are outraged by the revelations want US military criminals prosecuted in an international court. But imperialism throughout its history has meant not only war but torture and mass murder. Instead of relying on an international tribunal of bosses, we need to make the fight against imperialist butchery and brutality a part of the class struggle to smash capitalism itself in every corner of the world. FULL STORY NEXT ISSUE.



THE STRUGGLE CONTINUES: POSTER FROM FRANCE, 1968

FRANCE STRIKE, from page 1

to free the working class from the chains of capitalism.

The unions—no matter who leads them—have never been, nor will ever be, our solution. Trade union ideology is the enemy of the working class. It’s reformist. It strengthens capitalism, instead of destroying it. The unions are organizations controlled by the same bosses who we need to destroy.

Communist revolution needs two key sectors: industrial workers and soldiers. Without them no revolution can be successful. The industrial workers can

paralyze strategic industries and also produce the weapons needed to make and defend the communist revolution. Their collective experiences of exploitation prepare them to understand and act on communist ideas.

The bosses’ wars—especially world war—mobilize millions of soldiers who are winnable to turning the guns around to destroy capitalism and its genocidal wars. ICWP calls on our young members and friends to go into the factories and armed forces to build a communist base inside these key sectors.

The members and friends of ICWP should strengthen our efforts to build our Party in our areas but we also need to look for international contacts. We are one class and we should build one Party with only one political line all over the world.

In each work place and school we should organize political actions against our bosses and capitalism, in support of the French workers. Action-study groups must learn the lessons of this struggle: the need to double the distribution of Red Flag and to speed up the building of ICWP and communist revolution.

I’ve made my decision

The last few days have been very difficult ones in the history of my life. The fact that the Party has divided was, for me, a very sharp blow that’s hard to absorb. That’s why, when each person defined who was staying or who would go with *Red Flag*, I was the only one who didn’t take a side. My argument was that I needed more time to understand this very difficult situation.

In these moments it wasn’t only that the group divided. These were my brothers and sisters in struggle. I fought day in and day out with them, and for me the situation is still very difficult to accept. However, I have to understand that I can’t isolate myself. I have taken time to reflect and my decision is to stay in ICWP and raise the *Red Flag*.

Not because I’ve been manipulated, but because I consider that this decision is something so real in my life, that it’s what will lead its direction. That’s why I think that the time of bickering and arguing should end. I think those quarrels should be ignored, because everything has a process and this process has ended.

We have a lot of work ahead, so much work that we should forget the trivial things. We have to begin by knowing why we stayed or wanted to stay in ICWP.

WE MUST BE CONVINCED 100% of the political line that we want to follow independently of anything else.

We live in the capitalist system but we mustn’t make any excuse for our conduct so as to justify weaknesses due to bad things that have happened to us. Isn’t that why we want to overthrow the system? If we don’t try to change ourselves it will be difficult to change the whole world.

You have no idea how much understanding our communist line has helped me to become a better person. Now, no one gets over on me. I think that I no longer feel like one more object in my family, because of what I fight for each passing day so that this filthy system will be ended.

I have decided to take on a huge task in life. I have to fight for the future of our next generations. If we truly love our children, grandchildren and great grandchildren, we have to struggle and not give up.

I know that we’ll win.
—Comrade from Mexico

Chile: Politicians Mask Reality of Voracious Capitalism

EL SALVADOR—The news that 33 miners who were trapped for more than 69 days in the San Jose mine were rescued was used by electoral opportunists, mounting a circus with the only interest of getting rich from the situation that these workers and their families suffered. Once more this accident unmasked the reality of voracious capitalism that is incapable of protecting the safety of the workers. In a communist system the security of the workers will be primary, since there won’t be exploitation or money.

Piñera, President of Chile, looked happy, not because of the successful rescue but for the popularity that he is receiving momentarily, along with his ministers who have never set foot in a mine. Piñera and his thugs, with their farce, wanted to show the world that the capitalist system helps the working class, when really they keep the working class in slavery.

Thousands of workers worldwide die from the effects of chemicals used in the mines. In China, last week, 21 miners died and 16 were injured in an explosion in a coal mine. Last year .in China alone, more than 2,631 miners died because of capitalism’s genocidal greed for profit.

If some workers dare to denounce the situation, they are soon found dead, as happened with Marcelo Rivera, a Salvadoran activist who fought against the mining industry in the Department of Cabañas. Rivera and many others have



France: Workers and Students United

denounced these problems, and tried to prevent the exploitation in the mines in El Dorado, a mine that the Canadian company Pacific Rim intends to exploit. Thousands of families will be affected by the exploitation of this mine.

These are the conditions that capitalism offers to the workers, conditions of hunger and poverty. The capitalist competition for control of natural resources like water, oil, and minerals are and will be the causes of many wars and the imminent World War III. The capitalists’ thirst for profits will lead to wars between the bosses, and we as the working class must organize to turn the guns on the bosses to make a communist revolution. That’s why we need study action groups to analyze, discuss and distribute *Red Flag*, to fight for and win the communist revolution under the red flag of ICWP.

---Reader in El Salvador

QUESTIONS FOR RED FLAG ACTION/STUDY GROUP

- 1. The story about the Oscar Grant case (p. 1) argues that capitalism is racist to the core and will be racist until it’s destroyed. It says that communism can and will destroy racism. Since no society in the modern world has yet tried communism, what makes us say that communism can end racism?
- 2. Many workers and students around the world are inspired by the massive fight-back of the French working class (p. 1) but union leaders and revisionists are sabotaging the struggle with reformism. How do we build support in a way that deepens communist understanding?

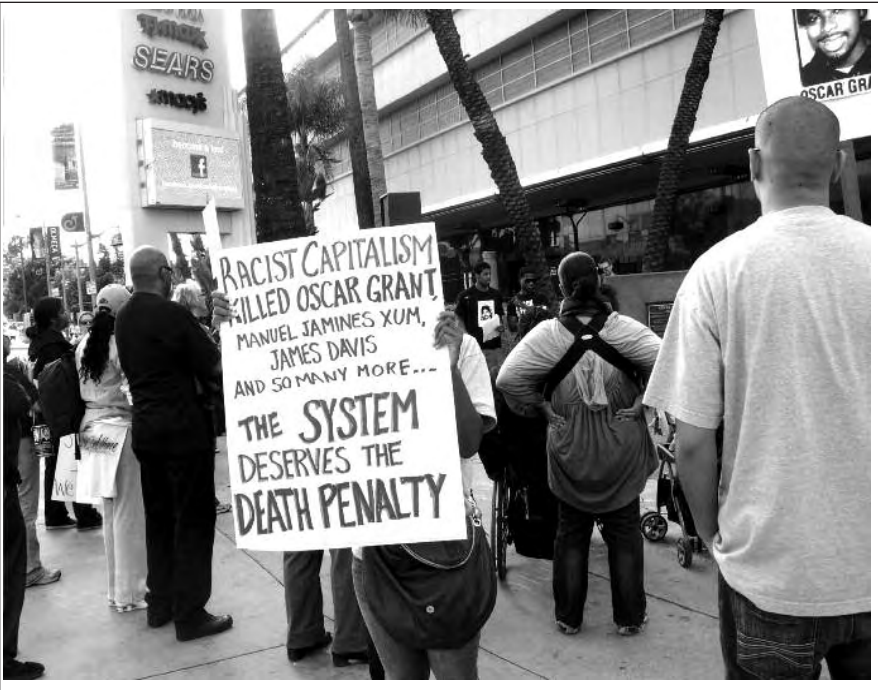
OSCAR GRANT, from page 1

hide their programs behind ideas like ‘the good of the nation, justice, fair play’ and so on. Within this system of exploitation, racism plays a central role – both ideologically (the realm of ideas) and economically (the realm of jobs and work). Ideologically it divides us and weakens our class consciousness. Economically, the intense oppression of black and latin workers creates a massive and desperate reserve army of labor that capitalism uses to attack the wages and conditions of the whole working class. Racist police terror helps the ruling class to enforce labor discipline, training us all to be passive and quiet on the job – if we have one! — instead of fighting back.

Share-and-share-alike communism

Because of racism’s dual role, capitalism in crisis needs it more than ever. We can expect the courts, the whole legal system and the so-called objective media to use the Oscar Grant case to demonstrate their commitment not only to the Klan-in-blue, but to racism in general. Our job is to win the millions who are angry at the

cold blooded murder of Oscar (and many thousands of others) not to seek ‘justice’ from the court system but to avenge his murder by building a revolutionary movement that will destroy capitalism once and for all. As we said earlier, capitalism has not always existed. But since its birth, countless generations of mothers and fathers have seen their sons or daughters murdered, raped or defiled as tragically as the family of Oscar Grant. Countless generations have labored under the scourge of racism. Let the murder of Oscar be the event that strengthens our resolve to build the movement for a revolutionary new communist society that destroys exploitation and replaces it with a culture of share-and-share-alike. That is the movement we are building in the ICWP. Join us!



PIÑATAS AND POLITICAL STRUGGLE

Last week, we went to visit a worker and his family who were celebrating the birthdays of his two daughters. The party was a lot of fun and there was a multi-racial group of friends there, for which we congratulated him. During the party we were talking, and we made the observation that, with the exception of ourselves, nobody from our job was there, although several live in the area. We mentioned that social and family activities can be an important part of building a political base.

Our comrade was self-critical about not having carried out consistent political work, but he pledged to change his attitude and get down to the task. We talked about how many workers he could give the paper to and we came up with ten. We didn’t just pull this number out of thin air. They are workers who have read *Red Flag* or have participated in activities led by ICWP. He also committed himself to help with a monthly sustainer and to try to collect money from the readers of *Red Flag*. This qualitative leap opens an arena of struggle in an area where many workers have been receptive to our ideas. We are sure that his self-criti-

cism was sincere. At the same time, a lot will also depends on our leadership to make sure that this fellow-worker continues developing, and so can raise the political level of his base to recruit them to the party. In this entire process, *Red Flag* plays an important role, with its diversity of struggle articles and its analysis of the constant movement towards the unprecedented catastrophe which World War III will be. But armed with communist ideas, we don’t fear the future. Far from it; we welcome it, because with a serious leadership like this young worker we are sure that the victory of a new communist society will become reality.

LETTERS

LETTERS

LETTERS

CRITICISM AND SUGGESTIONS

Bosses Hide Truth of Class Struggle!

I am a university student in the US, who would like to know more about the 1932 massacre in El Salvador. Last month, my professor invited the principal of a school in Sonsonate, El Salvador, where instruction is in Nahuatl, to speak about the 1932 uprising and subsequent massacre. She totally distorted history, saying that it was an entirely indigenous movement, that it was slander to call people like her grandfather, an elder in Izalco, a communist, and that people who said there were indigenous communists in El Salvador were lying.

She was hosted by a community center right around the corner from 6th and Union, where the cops killed Manuel Jamines Xum. These fakers did absolutely nothing to protest the police murder of an indigenous person in Los Angeles; instead they came to the university to slander the movement of the 1930s and to sell CDs in Nahuatl.

In the US, an important function of the universities is teacher training. The ideas that are taught in History and the “Social Sciences” are the ones they want teachers to win the youth to. The main ideology that is pushed in the US is nationalism, and it has an important component of multi-cultural ethnic nationalism, of which the indigenism of the speaker is part. The bosses’ preparation for world war requires them to win the youth to multi-cultural nationalism and to reject class struggle and communist leadership in their understanding of history.

From the little that I know, I believe that this phenomenon is not confined to the US. Rewriting the history of the class struggle in El Salvador to ignore the role of Communists like Farabundo Marti in El Salvador and throughout Central America during that period, and insisting that it was exclusively an indigenous movement seems to be part of that phenomenon.

I hope that comrades in/from other countries can respond to this. Is this rewriting of history happening where you are? How can we write an accurate and helpful history of our class?

Sincerely,
A student

Letter to Young Comrade in Mexico

I can’t help but admire your struggle to extend your hand towards the rest of the working class brothers and sisters. This has inspired me, not only to keep struggling but to confront some fears that might be holding me back from pushing to the fullest for the working class and the so-much needed Revolution.

I am a young comrade who can also relate to the struggle of day-to-day life. There are obstacles that arise and I sometimes cannot control. Even so, I keep on learning how to live and survive to help the working class, knowing that I, my self, am part of it.

As a student, it might seem that more doors are open for me because “I am attending school.” But that isn’t the case. I am of a working-class family, and so I have to struggle just to be able to keep attending college. Finding a job is difficult, being able to sustain a place to live is harder than it had ever seemed. And my family has health issues and is barely able to pay for their home: just more effects of this failing system.

It becomes more and more obvious that we are no longer only blinded by this system, but also put against the wall and made our own incriminators.

It is completely sickening to see that this capitalist system idealizes our life to a picture of not having any “choices” but to keep being enslaved by our own brothers and sisters just to survive on a daily basis.

To me, your energy and rage, built just to keep moving and surviving for the working class, is a perfect example of why we shouldn’t give in and be submissive anymore. We need to keep struggling for the Communist Revolution to destroy the Capitalist System and abolish the rest of its classes and categories. Abolish racism, sexism, ageism, “social-classes” and many more categories and ways of suppressing us.

This also brings forward the idea of not only distributing more Red Flags to our class brothers and sister whenever we can, but to also ask for donations and give money to the Party to help with the production of the paper. All this is not just to distribute Red Flag but also to make the connection to other workers more widely available.

—Young woman in California

Revolution Will End Police Terror

Several students from my school took part in a forum on October the 1st organized by the ICWP. We were very much interested in what was being discussed in the meeting. When it was over, on the way home, we had a small discussion about the killings of Oscar Grant and Manuel Jamines. We came to the conclusion of how racist and terrorizing this had been. “It’s a bunch of *@#!, we need to start a revolution against all of these killer cops and the entire system,” said a student with a lot of anger. Another said, “that was stupid, why did they have to shoot...why didn’t they just tazer him?”

All of these words show one more step towards communist revolution. Even though, many have started rebellions against all of these acts, I know that that we have to get more out in the streets and show more anger! Personally, I really want to overthrow capitalism, because it continues taking advantage of us.

After I heard the truth of what happened, and not through bourgeois press and television, my blood boiled with rage. I think that there is no reason why these pigs killed these men. Just because they carry a “badge” it gives them the right to be going around killing workers—or doesn’t it? The police are only creating one more step in the triumph of communism. WE MUST DEFEND OURSELVES. THIS MUST NOT BE TOLERATED. Even though some may say that we have “rights,” like the “right” to life, but under capitalism workers have no “rights,” not even the “right” to life. Because of their own racist nature the police are going around killing workers and youth. This definitely has to STOP! NO MATTER HOW MUCH WE STRUGGLE OR HOWEVER LONG IT TAKES, THIS WILL STOP! THIS I KNOW!

Sincerely, A Red High School Student

“Fired Up to Take Leadership”

The letter from a sister comrade in Mexico got me thinking about what I am actually doing to support

Red Flag. I need to be more like her: don’t just talk about it, be about it.

The recent “Day of Action” at my campus was the first I had ever attended here. I went because of a last-minute request from a comrade. I listened to workers speak about the injustices related to their retirement benefits and how the bosses all got raises during the budget crisis.

Then I got mad! I should have been at work, but couldn’t get myself to go back. I felt it was more important to stand and fight back. eventually saw about 10 of my friends and asked that they join in. As the speakers finished, a march around campus was announced and I decided to stay. We went through the campus halls, libraries, and administrative buildings yelling and banging drums. The really interesting part was that the cops were everywhere and allowed us to do it. I wondered why, and what did it mean in the bigger picture?

The event overall had a communist feel. People were passing out papers and openly calling for revolution. There were only about 100-150 students, campus workers and faculty together at the rally because there wasn’t enough publicity. The contradiction of this event lies in how we were loud and in your face, all noise but no organization. I would have thought at such a large campus there would be a strong base for student organizations fighting against tuition hikes.

Red Flag is always asking us to build leadership where we are at, and I find myself asking why. Until recently I thought that meant looking outside of myself for leadership when the answer is right here staring me in the face.

If the woman in Mexico can do it by making copies to pass along then we all need to stop being all talk and start being more game. I usually get about 10 copies to friends. I am trying to remember to ask them for some change, if they would like extra copies, or if they would like to write a letter for the paper.

Thank you for printing that letter because it has ignited a new fire in me and I hope it does for you too.

—UC student

Red Flag comments: As a developing communist leader, you must confront the illusion that UC would be a great place if only they’d cut tuition and treat the workers better. In capitalist society, all schools serve capitalism, but in different ways.

UC students are supposed to become the managers, controllers, and misleaders of the working class. So you are given a bigger cage than community-college or high-school students at the same time that most of your professors push racist, pro-capitalist ideas really hard in the classroom.

The cops were probably under orders to allow you to “let off steam” and to build the illusion that you can reform the system if enough people yell loudly enough.



Communism and Money, from page 16

ted areas will take part in deciding what’s needed, where it’s needed, and what are our priorities. We will organize ourselves to produce and distribute those goods and services.

Our labor power won’t be a commodity to be sold for wages. Instead it will be put to use in the service of our class. We will struggle with ourselves, each other, and our whole class to work for this common

good. We won’t need wages because we will share – not exchange! – the goods we produce as needed.

In communist society, money and markets will no longer stand between us, alienating us from our own labor and from our class brothers and sisters. We will not need religion to “reconnect” us because our real connections will become clear in the way we are organized politically at the point of production.

We will be one class, organized as one Party, united as one world to meet all of our social as well as material needs and – always! – struggling to advance our practice and our understanding to levels we can’t even dream about today.

COMMUNIST REVOLUTION WILL END BOSSES' MONEY WARS

“Finance has become the new form of warfare,” writes economist Michael Hudson.

The G20 finance ministers’ meetings in South Korea ended this weekend with the appearance of an agreement to resolve the currency war that has been escalating mainly between the US and Chinese capitalists.

But this temporary unity cannot hold for long. This currency war is yet another front in the inter-imperialist rivalry that is leading, sooner rather than later, to World War III.

Two years ago, Nobel Prize-winner Paul Krugman wrote: “I never anticipated anything like what’s happening now. ... Since the fall of Lehman, we’ve been seeing clear signs of currency crises throughout the world of emerging markets, including Eastern Europe. This time, it’s not an Asian crisis or a Latin American crisis, it’s a global crisis.” (“The Mother of All Currency Crises,” *NYTimes*, 10/28/08)

Now Krugman is urging the Obama administration to get tough with China: “US policy makers have been incredibly, infuriatingly passive in the face of China’s bad behavior.” (*NYT*, 9/30/10) Tim Geithner accused the Chinese of “currency manipulation.”

But the US Federal Reserve Board has a policy of “quantitative easing” – in effect, issuing more electronic dollars – that has devalued US currency. As Li Xiangyang wrote in *China Daily*, “A currency war is spreading as the dollar’s value against major world currencies has continued to decline....It is the dollar that triggered the currency war....”

“It’s not only a currency war,” said the Brazilian Finance Minister. “It tends to become a trade war.”

“A special aspect of the present stage of imperialist relations, and of the existing instability and disintegration, is the currency conflict. This aspect reflects all the existing imperialist antagonisms, and especially that one which is the most important and finally dominant.”

—R. Palme Dutt, *World Politics 1918-1936*, 1936, p. 100

The Federal Reserve policy of “quantitative easing” means that it’s pumping money into the banking system to reduce interest rates. This will help US banks recover from the bad real estate loans they

made. An inflated dollar will help to export US debt.

It also allows US speculators to flood international currency markets with dollars, driving up the value of other currencies like the euro and the Chinese renminbi. That makes it easier for US companies to sell goods overseas, and harder for other capitalists to sell stuff in the US. But workers who are paid in dollars will suffer, as their paychecks buy less and less.

“Grow or die” is a rule of capitalist economics, and the US government’s economic growth strategy is to double exports within five years. They can’t count on real estate for growth. They can’t plan on increased domestic consumption, because they need to squeeze workers in the US ever harder in an effort to become globally competitive. So currency wars are their only real option – short of shooting wars.

“Given a sluggish economy and huge amount of debts, driving the value of the dollar down is in line with America’s interests, both in short term and in long term.” – Li Xiangyang, *China Daily*

“Shift in Global Economic Power”

Capitalists in the “emerging economies” – especially the “BRIC” countries Brazil, Russia, India and China – stand to lose out from US policies. What’s new is that they’re prepared to fight back. For example, Brazil began taxing foreign buyers of its bonds (a form of capital controls) as a defense against the dollar flood. The BRIC countries are bypassing the dollar, with direct trading between the Chinese yuan and the Russian ruble and the Brazilian real.

The global financial order that has existed since the US displaced Britain in the mid-twentieth century is in danger of breaking up. The International Monetary Fund, which met in September, could neither resolve the growing currency war nor come to an agreement on how to restructure itself.

“All this serves to highlight the failure of both the IMF mandate review and broader global responses to the financial and economic crisis to deal with how to manage currencies and capital flows in the modern era.” (www.brettonwoodsproject.org/art-566899)

The recent G20 finance meeting

made changes to IMF that “reflect the shift in global economic power in the wake of the 2008 financial crisis as emerging markets gain heft with investors, and within the institutions that were set up after World War II to govern the world economy.” (Bloomberg News Service, 10/24/10) The BRIC countries will become four of the IMF’s ten biggest shareholders. This is a clear recognition of the decline of US imperialism.

It remains to be seen what the Nov. 11-12 G20 Summit will do about the currency crisis, which is likely to sharpen in coming months. The BRIC capitalists are weathering the global economic crisis better than the US. They may be ready and able to compromise for now, as their growing economies develop their potential to field an increasingly large and sophisticated military.

The US capitalist class, however, is a wounded giant. Its position relies increasingly not on economic strength but on its military, still mighty although seriously overstretched. Increasingly isolated and cornered, it will become increasingly desperate and dangerous.

R. Palme Dutt wrote in 1936: “The world economic crisis.. has slowly given place to a peculiar new situation...of continuing currency instability, of intensified economic warfare, and...of the relatively increased importance of the armaments industries and of preparations for war.” (*World Politics*)

We are in a similar period today. It’s the task of our generations – not of future generations! – to prepare to turn the bosses’ World War III into communist revolution in every corner of the world.



COMMUNISM WILL ABOLISH MONEY

Money is the lifeblood of capitalism. It embodies the abstract labor of workers, while hiding the fact that this labor that creates all value.

Once, exchange-based societies worked like this: $C \rightarrow M \rightarrow C$. Commodities (items produced for the market) were sold for Money that could be used to produce Commodities that were quantitatively equal but qualitatively different: for example, bread sold to get the money to buy shoes.

Full-blown capitalism, while still based on exchange, worked like this: $M \rightarrow C \rightarrow M'$. Money is used to buy workers’ labor power and the materials, machines, etc. necessary to for the workers to produce Commodities that can be sold to net the capitalist Money — qualitatively the same, but a quantitatively larger amount. So money became a way for capitalists to amass wealth extracted from the workers at the point of production. Money became Capital.

Money itself was originally a commodity, often gold or silver. Later this “commodity money” was replaced by symbolic or “fiat” money (bills and coins) with no use value. It only has exchange value because a government stands behind it, enforcing its use. “Economics” is really “Political Economy.”

Capitalists have many countries, each with its own money (currency), but they buy and sell in a global market. At the end of the day (or year) there are trade imbalances: some countries have imported more goods and some have exported more. Which currency settles the accounts?

For a long time, the answer was “gold.” But by 1950, massive arms sales during the two world wars had enabled US to accumulate 80% of world’s gold. The dollar became the new gold, the reserve currency of the capitalist world, a dramatic illustration of the rise of US imperialism and the decline of Britain.

Until August 1971, the dollar was backed (in part) by gold. Since then, the dollar has been backed mainly by the US military. This allowed US capital markets to become qualitatively more speculative. It enabled the US government to conduct foreign policy



and wage war without much regard for the balance of payments. All this set the stage for the present global economic crisis.

Governments and central banks manage money supply to achieve the goals of their respective capitalist classes. In periods of sharpening competition between capitalists of different countries – as in the 1930s and again today – this means currency wars. Trade wars and shooting wars are never far behind.

World wars create the opportunity for revolutions. In the past, revolutionary governments printed new money. This was true of the bourgeoisie, as in France and the US in the 18th century, and of communists, as in the Soviet Union and China in the 20th century, whose policy was to build socialism as an “exchange society” that was capitalist at its core.

But the revolutionary working class, once in power, has no need for money! You can’t eat it, wear it, sleep under it, or even make it into jewelry. We won’t have it! From the very first days of communist society, we will build a “gift society” (to use a social-science term) instead of an “exchange society.”

Through the International Communist Workers’ Party, the masses of working people in all our libera-

See Communism and Money, page 15