

facts for working people

A Publication of Labors Militant Voice August 2009 \$1

Building a Democratic Socialist Alternative to the Dictatorship of Capitalism

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California: biggest public cuts in 30 years

Time to Give Up On the Democrats & Republicans



So Happy Together: Schwarznegger & Democrats sign the bill

Stealing from the Sick, Poor & Elderly to protect and enrich Corporate America

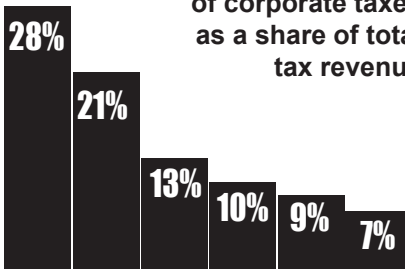
- \$174 million from Healthy Families program
- \$80 million from Child welfare services
- \$695 million from Community College funding
- \$1.6 billion from funds for school children (K-12)
- \$89 million from In-Home supportive Care
- \$115 million from SSI grants for the elderly
- \$26 million from foster care services
- \$8.8 million from substance abuse treatment services
- \$1.0 billion from Medi-Cal
- \$18 million from Adult Day care for disabled
- \$334 million from Developmental Disabilities services
- \$90 million from substance abuse/crime prevention
- \$35million from AIDS funding
- plus 100 State Parks to close

FACT: California Legislators are currently getting a low 17% approval rating (Public Policy Poll)

One Source of the Cuts

How the Rich Have Stopped Paying Taxes

The gradual decline of corporate taxes as a share of total tax revenue



1950s 1960s 1970s 1980s 1990s 2000s

	Unemployed	"Defense" Budget*
2007	7.5 million	681 billion
2009	14.5 million	745 billion

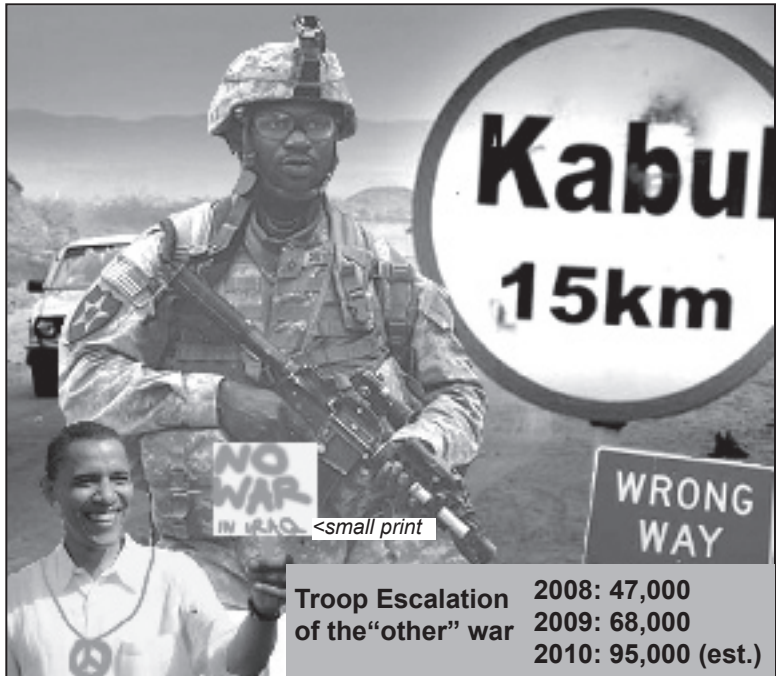
Defense Spending per Unemployed Worker: \$50,680
*figures never include approx.\$140 billion pa on Iraq/Afghan wars

ARSON ATTACK
FFWP Editor and
Tenant Activist,
Arturo Valesquez,
Attacked

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**Why America's
Banks make it SO
easy to Hate them**

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Troop Escalation of the "other" war
2008: 47,000
2009: 68,000
2010: 95,000 (est.)

READ OUR DAILY BLOG at weknowwhatsup.blogspot.com

Do you have a story about how the system effects you at work, home, or just in general? This is a place to share it. Below a Union Steward and Nurse reported on August 1st.

"My tribute to the determined and beautiful people of Venezuela After 4 days home from almost a month in Venezuela I find myself having more difficulty re-orienting to life in Toronto than I did to my brief time in the Venezuelan barrios. The first thing I notice is the relative quiet. Even after a 6 week strike by City Workers in Toronto the physical and emotional environment here seems pristine and subdued. There is quiet everywhere-too much quiet. Absent is the vibrant energy, laughter and warmth of the people of the barrios. The rapid speech, the quick smiles and never failing morning salutation "buena" even to the only gringos."

... more at www.weknowwhatsup.blogspot.com



Party at the Top While the Cracks Deepen Below

With close to 15 million working people officially unemployed, wages down 5% over last year and a foreclosure crisis on a scale not seen since the 1930s, there is little to celebrate for the vast majority of working people. Yet at the top, the small powerful US capitalist class, are sighing with relief. In their eyes the worst is behind them. The party glasses are coming back out. Their absolute monopoly of American politics, through the Democrats and Republicans, has enabled them to shift over \$1 Trillion from working people's current and future taxes back onto the gambling tables of Wall Street and all is well again. Stocks are up 48% over the past 3 months, revenues and profits at the banks are back up and high unemployment is putting a huge downward pressure on wages. Some regulation of the financial system is likely. A couple of CEOs are thrown into low-security prisons and their two political parties are unchallenged for power. The champagne glasses in America's Boardrooms are clinking.

But it may be too early for them to celebrate. American capitalism is bogged down in two wars that will be difficult to disengage from. The British government, America's lapdog, argued last week they only need one year to show that victory in Afghanistan is possible. A week later the head of the British Army argued forty years is required. They will not win a victory without first destroying poverty and inequality, however their objective is to maintain poverty while preventing Russia and China, their competitors in the region from accessing the region's mineral wealth. Pipelines are not built for the local people's benefit. The US is therefore tied to spending \$140 billion-a-year of its past and future wealth on this adventure. There will be no victory for US big business in this region.

The political quicksand in the Middle East is also matched by US' debt quicksand at home. Their ability to get stocks back on their feet is temporary and at great long-term cost to the US economy's stability. The first 8 months of the Obama regime witnessed the greatest shift of wealth from the taxpayer (read working class) to the rich in world history. Trying to figure out the exact number is like asking a binge-drinker to figure out how many drinks they had the night before. Some estimates put the cost of the bailout upwards of \$23 Trillion or almost double US GNP. Even during WW2 US federal debt did not get that high in relation to GNP. Household net worth has fallen to its lowest level in 20 years, alongside record household debt equaling 130% of household disposable income. This bodes badly for an economic recovery. Those falling behind on mortgage payments in June rose to 13.8%, another record high. Many also now argue that the effect of the stimulus is past its peak.

In short, capitalism is in for a continued bumpy ride and all that it can hope for is that its main opponent, the US working class, will not show signs of anger and self-organization. This is practically ruled out as long-term unemployment, falling wages and increasingly savage budget cuts begin to hit working class families from every direction. Democratically-controlled public ownership of the banks and biggest corporations would begin to undo the economic damage of capitalism. A movement in such a direction will hear the clink of champagne glasses as they drop to the floor.

Labor's Cost for A Policy of Surrender

It increasingly looks like the union leaders will get little to nothing for spending up to \$115million of union members' dues on the Presidential elections. Even the Employee Free Choice Act may not get through.

Since 1990 Labor has spent \$678 million on politicians, 92% to Democrats. Time for a Working People's Party!

\$23 Trillion The real price tag of Capitalism's bailout

"U.S. taxpayers may be on the hook for as much as \$23.7 trillion to bolster the economy and bail out financial companies. . . The Treasury's \$700 billion bank-investment program represents a fraction of all federal support to resuscitate the U.S. financial system, including \$6.8 trillion in aid offered by the Federal Reserve"

Neil Barofsky, special inspector general for the Treasury's Troubled Asset Relief Program in testimony prepared for a hearing before the House Committee on Oversight and Government Reform.

Hands Off Our Homes



Oakland Campaign for Renters Rights organizes picket of local Citibank

Fight Your Foreclosure NOW!

1. Stay in Your Home
2. Organize with others; set up a HANDS OFF OUR HOMES group, renegotiate your loan
3. Take Direct Action: make your case big and public
4. Get Political: fight big business' control of politics
5. Contact us at (510)595-5545, (416)323-0620, (310)404-6729, (773)913-8068

Unemployment Rights What we Fight For



Unemployed Rights:

- ◆ Unemployment benefits equal to \$15.00 an hour wages
- ◆ Unemployment eligibility should last indefinitely
- ◆ Increase unemployment office staff and pay to meet the increased demand of the recession
- ◆ Government-provided Health Benefits for Unemployed and their families, as a part of a Nationalized Health Service
- ◆ Unions, community organizations assist in building independent union locals of the unemployed

Full Employment:

- ◆ Unions must refuse to accept Layoffs: workplace occupations in solidarity with local communities
- ◆ 30-hour work-week, with no loss of pay, to create work
- ◆ A mass, environmentally-friendly public works program to create jobs: light rail mass transit: solar, wind, construction; community gardens: rebuild the country
- ◆ All jobs at Union rates of pay and benefits and through Union hiring halls
- ◆ Launch massive program of apprenticeships for full youth employment
- ◆ All hiring to be done from the poorest neighborhoods on a first come first serve basis



Thievin' Bastard of the Month

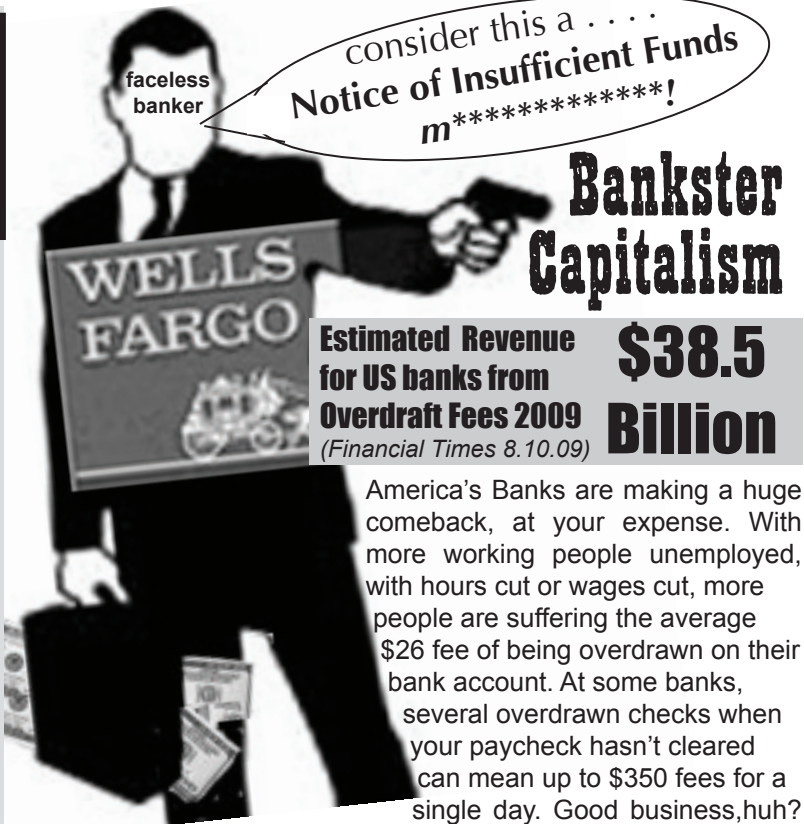
Charles B. Reed
Chancellor, California State University

Annual Salary :
: **\$425,000** :

Traditionally our Thieving Bastard of the Month is a corporate rat, however with the recent attacks on the educational system we thought it would be fitting to award Chancellor Charles Reed.

First we should all be relieved to know that despite the reduction of \$600 million in the CSU budget Chancellor Reed will continue to collect his \$425,000 salary. He approved an additional 20% student fee increase, on top of the 10% increase implemented in May, bringing fees to \$1,547.90 for undergrad and \$1,859.90 for graduate students.

In words, he continues to be dedicated to providing an affordable quality education to students in CA. We can only assume when his Mercedes drives by he will not be passing the Grey Poupon to the 40,000 students that will be shut out of school over the next two years due to the budget cuts.



Bankster Capitalism

Estimated Revenue for US banks from Overdraft Fees 2009 **\$38.5 Billion**
(Financial Times 8.10.09)

America's Banks are making a huge comeback, at your expense. With more working people unemployed, with hours cut or wages cut, more people are suffering the average \$26 fee of being overdrawn on their bank account. At some banks, several overdrawn checks when your paycheck hasn't cleared can mean up to \$350 fees for a single day. Good business, huh?

Pop open the Champagne, 'cos America's Banks are . . .

BACK IN THE BLACK

JP Morgan Inc
2nd Qtr Profits: **\$2.7 billion**
Shares up **20%**
Cost to Taxpayer: **\$25 billion**

Defend Tenant Rights



Arturo Valesquez

At 4 am on Wednesday August 5th Arturo Velasquez' car was set on fire outside his home. Arturo is a leading member of the Campaign for Renters Rights. He has been organizing tenants in his building for two years. He is popular with tenants for helping force the landlord, Alfredo Alverado, to make major repairs and considerably bettering the quality of the lives of his own family and all the tenants at his apartment building in his low income neighborhood in East Hollywood, Los Angeles.

Background:

After helping lead the campaign, the landlord spent a lot of money taking Arturo to court to attempt to evict his family. The landlord lost this blatant retaliatory eviction attempt. Again, this year the landlord attempted to take Arturo's family to court on another made-up charge. Once again, the courts sided with Arturo and his family. Last week the landlord turned down Arturo's attempts to get them to enter into mediation. Two days later his car was set on fire.

Stop the Violence

Last year all of Arturo's car tires were slashed. The community, his fellow tenants, and the Campaign for Renters Rights raised a Defense Fund and paid for new tires. We did not back

Arson Attack on Tenant Organizer

down from fighting for what is right..

We are attempting to get Councilman Garcetti's office to force the police to properly investigate the situation. The L.A. Fire Department have deemed that the car was burnt as the result of an incendiary attack and that the fire was arson.



Inside the burnt remains of the family's car

We will not stand by and watch Arturo Velasquez and his family be intimidated by violence and allow that violence to escalate. This is a civil rights issue and needs to be addressed firmly.

What you Can Do:

DONATE TO OUR DEFENSE FUND. Please send a check payable to the Campaign for Renters Rights to the following address: the Velasquez Family, 4225 1/4 Lockwood Avenue, Los Angeles, 90029. You can also donate through PayPal at weknowwhatup.blogspot.com. Finally, you can put some dollars in the collecting can when you see us out on the streets.

10 signs that Capitalism is screwing up YOUR education system

1. Dean of school shows up on campus
2. Financial Aid office installs bullet proof glass
3. Kindergartners make picket-signs and walk out
4. Teachers bring tip-jars to parent/teacher meeting
5. McDonalds opens up charter schools as part of "McEducation" campaign. Dollar menus introduced
6. Math teacher fired, re-hired as school fundraiser
7. Downloadable i-teachers replace unionized human ones
8. Elementary schools widen Pledge of Allegiance to include loyalty to the Principal, Privatization and the Capitalist system
9. "Military opt-out" allows Middle School kids to enlist directly into the Army
10. Stock Market hired to trade on children's actual "Futures"

Join our fight for Socialism
 Oakland (510) 595- 4676 (also for San Diego, Columbus & Las Vegas)
 Chicago: (773) 913-8068 Los Angeles(310) 404-6729 Toronto(416) 323-0620



 **National strike in Honduras**

A two-day strike began July 23 to demand the return of deposed President Manuel Zelaya. The strike—organized by the Popular Block, a coalition of labor and neighborhood groups—included teachers, utility workers, and public health workers. The latter occupied public health hospitals across the country while others blocked the country's main highways.

 **South African municipal workers in nationwide strike**

July 29th marked the third day of a strike by around 150,000 municipal workers of the South African Municipal Workers Union and the Independent Municipal and Allied Trade Union.

Protests, marches and demonstrations involved hundreds of thousands of people. The strike is against the governing African National Congress (ANC) who have dominated elections since Nelson Mandela was freed in 1990. The unions have demanded a 15% wage increase. The workers rejected the bosses' 11% increase and have won increasing public support. In an effort to reach out to community they have demanded a minimum wage of \$640 for city workers and increased government assistance for housing loans and rents.

South Africa has been suffering from decades of low wages and high inflation especially in food prices. It was the militancy of the South African unions and their organized "Stayaways" (general strikes) that brought the Apartheid regime down. Workers here can take a lesson from our South African Sisters and Brothers. Even during a "crisis" we can still win! The bosses have the money!

 **South Korean Auto Workers Occupy Plant, Fight for Jobs**

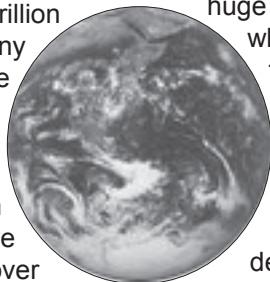
South Korea's fifth-largest auto maker aimed to cut 36% of its workforce in February. The union of auto workers has absolutely refused to accept the layoffs and finally went on strike on May 21st and significantly occupied the plant. The occupation puts the workers at a strong vantage point to resist the bosses' demands.

For weeks 500 Auto workers stood up to police tear gas and rubber bullets, replying with slingshots, flammable paint thinner and metal pipes at the Sangyong Motor plant in Pyeongtaek, south of Seoul. Witnesses said two police helicopters sprayed liquid tear gas. Police removed barricades with forklifts to help commandos climb ladders through a hail of nuts and bolts fired by catapults. Police then tried to move into the paint shop but retreated after a brief clash following fierce resistance from the strikers.

Why We Are for Socialism

We are against capitalism because it does not work. More than half the world's population are in want or outright starving. The United Nations Development Program estimates that everybody in the world could have access to basic social services, clean water, food, housing, health care, education, for \$80 billion per year. The seven richest people in the world have \$1.54 trillion between them. Capitalism cannot transfer the tiny fraction of the wealth of its richest few that would be necessary to provide everybody with the necessities. Capitalism has forfeited its right to exist.

But it is not only a question of taking the ill-gotten wealth of the billionaires. It is having a system that allows the working people of the world to have access to ownership and then democratic control over



capital, machinery, land, water, energy and power so that we can collectively and democratically plan production distribution throughout the world. Capitalism cannot allow this. The future of the planet can only be rescued when power is wrestled from the rich and when working people can begin to decide through huge debates and discussions a sane direction for the planet which meets the needs of the human race in a sustainable fashion.

Capitalism does not work. We are for a new system where the talents and skills of human society are utilized to ensure all basic needs are met and a world where ordinary people are no longer the pawns of big business or a bureaucratic government. This is a democratic socialist system. This is what we are fighting for. Contact us and we can work together.