

## Third Party: Indispensable Step For Our Class

The fork in the political road that we have referred to so often is clearly coming into view. We can already see the outlines of the coming political struggle. Economic polarization in the extreme is recognized by all and accepted as the foundation for inevitable political polarization.

This elementary, spontaneous, semi-conscious political polarization forces the radical or revolutionary organizations to clarify their tasks, goals and tactics. Our task is to be part of the historic effort to transform the disorganized, disoriented American mass into a conscious political force. Our tactic is to participate in their crossing over from the defensive to the offensive. Our goal is to utilize this spontaneous process to prepare the people to reclaim their country by assuming state power and transforming the property relations from private to public.

The spokespersons for the ruling class have accustomed the American people to make their political judgments based on what seems obvious. Perceptual knowledge is always dangerous, for it masks the underlying laws that govern development. There is a certain process that the American people have to go through. First, they blame the political party in power. Then they blame both parties. Then they come to see that neither party will solve the problem and a plague on both houses. The next step is to see that the problem is systemic.

This is an important step since the struggle is fought out in the socio-political superstructure. The move toward political consciousness is important, and we must prepare ourselves for whatever eventually might occur. That preparation begins with a clear understanding of the causal relationship between the economy, politics and social motion.

### THIRD PARTIES AND CRISIS

The economy develops on a more or less spontaneous basis. Politics has to be conscious. It has to clear the path for the spontaneous development of the economy. As the economy changes, the old parties – tied to their constituents – tend to become stuck in the mud. As the traditional parties become more disjoined from new economic reality, new parties arise to secure bourgeois relations under new conditions.

Parties don't come about because somebody wants them. They come about as an expression of the formation of a new foundation and changes in the economy and society. First comes the need for something to happen. Then there is a striving for it to happen. But it can't happen unless there is a political motion that makes it possible. One of the aspects of the political scene today is

the growing identity of the two major parties in the minds of the masses. This opens the door to the idea of a third party.

Third parties arise in time of economic change or crisis. Whether their political leaders are conscious of it or not, they are trying to save the existing system by "fixing" it. One aspect of this motion is to adjust the politics of the country to the new economic and social realities. An example of this is Henry Wallace's "People's Progressive Party" of 1948. Another would be the formation of the British Labor Party at the beginning of the crisis of imperialism in 1900. The other aspect is to go back to the "good old days." These parties and groupings are essentially reactionary and often have the trappings of social fascism.

Under conditions of quantitative economic development, third parties could and sometimes did succeed. Today we are seeing the quantitative development of a qualitatively new economy. It is not possible for a bourgeois party to quantitatively deal with a new and antagonistic qualitative development.

The developing polarization within and perceived ineffectiveness of the Democratic and Republican parties are setting the stage for the breaks in the continuity of the current political party system. Whether and when the polarization is expressed in the formation of a centrist party, a "social-democratic" party or a fascist party – or some combination – some sort of political party realignment would set the conditions to accelerate the political polarization and political formation of the new class.

The third party is an absolutely indispensable stage in the revolutionary process. It will serve to further develop consciousness of the separate interests of the masses of American people against those of corporate interests. It is a necessary and inevitable step toward a workers' party and the embryonic form of political class-consciousness it represents.

### FASCISM ON THE ATTACK

As we have predicted, the dialectical motion of the economics of the leap is leap downward, partial recovery, stagnation, polarization, destruction and another leap downward. These are not categories, but are mixed and interpenetrated. The country has rapidly gone through the partial recovery of the early Obama administration and is now mired in stagnation. We are also into the phase of polarization. This phase is expressed as the further concentration of wealth and poverty. A new level of intractable poverty reflects the record profits of the corporations. Political resistance is inevitable. This new stage of economic polar-

ization is intense enough to begin the process of political polarization.

Any serious discussion of the economy is bound to bring the questions of race and class to the forefront. Discussions of race and class have been skillfully covered over because they bring out the contradictions in American history that have allowed the ruling class to rule so long. With so many blacks today in leading positions in the capitalist state bureaucracy, the military and Wall Street it is no longer possible to speak of the African Americans as a cohesive "people," nor hide the crucial role of the bourgeois blacks in facilitating the oppression and isolation of the poorer blacks and therefore the control of all the developing new class. As this reality of integration within the ruling class becomes clear, there is nothing left but the reality of class.

Fascist tendencies are becoming clear, and the coming elections will further illuminate this process. A fascist movement is forming. It is a hodge-podge of reactionaries, conservatives, racists, social criminals and thugs.

At its heart, though, are knowledgeable, cultured fascists who are revolutionaries with a defined vision of a new social and economic order.

True to its history, the fascist movement is emerging as more than the party of "No." It is emerging as the party of attack. As one liberal bourgeois commentator put it, "If Obama came out for motherhood they would attack him." This is different from the obstructionism of the reactionaries and conservatives. As usual, the party of attack has the privilege of choosing the battlefield. These battlefields are also becoming clear. The overall issue will be the economy.

In the process of development, we see the right wing dividing between reaction and fascism. The conservatives and the reactionaries are obstructionist, seeking to go back to the past or to hold back change. The more fascist elements are on the attack, choosing what and where to attack. They do

not have a program, but rather their attacks are abstract, disregarding whatever advances might have been made in some other field. This is different from the obstructionism of the old conservatives and reactionaries. This kind of struggle will intensify and raise the social consciousness of the American people. The group around Obama has to move to the left in its rhetoric to the American people in order to defend itself against these attacks.

### THIRD PARTY OPENING TO TEACH CLASS INTERESTS

It is rational to ask, "If a third party will be against the interests of the people and cannot succeed, why do we support this motion?" It isn't as if we endorse this motion or make it a part of our program. There is a certain logic to history that we call "the line of march." It is not possible to skip this stage. The struggle for and exposure of a third party is a "school" for the revolutionaries. We cannot make the fight for a worker's party without counter-posing it to the ruling class' effort to solve their problem with a new bourgeois party.

Class-consciousness will emerge from the mass struggle. It is the school where revolutionaries connect theory and vision with the harsh reality of state and class. A workers' party can emerge only when the national interest becomes expressed as class interests, when the well being of America is absolutely expressed in the well being of its working people.

We are nearing an historic nodal line. The side that wins is the side that is in position where the fire is hot and has the weapons of clarity and sense of purpose.

*The Political Report of the Standing Committee, League of Revolutionaries for a New America, September 2010.*

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# The FBI Raids: An Assault on the Growing Movement Against Poverty

*Editor's note: The following is a statement from the Standing Committee of the League of Revolutionaries for a New America.*

The League of Revolutionaries for a New America joins with concerned groups and individuals across the United States to condemn the raids conducted by the FBI on the homes and offices of anti-war activists in the Midwest in late September.

We call upon all people of conscience to speak out against these raids and the continuing harassment of these activists, all of whom have earned wide respect for their dedication to the struggle for justice.

These raids are not just an attack on the anti-war movement. The raids are part of a

calculated assault on the growing movement against poverty in this country, and all of us in that struggle must respond to them accordingly.

The FBI justified their early morning foray against the homes of working-class political organizers by claiming that they were looking for information about "terrorism." FBI agents spent hours rummaging through the personal papers of individuals and confiscated boxes of materials, including posters and artwork.

If they had been serious about discovering evidence of terrorism, the intrepid sleuths of the FBI might have looked elsewhere. The Midwestern United States includes numerous buildings which look like a bomb had been dropped on them. The act

of terrorism which destroyed many of them is known as a plant closing. The Rust Belt of America contains millions of people who are utterly terrified – at the prospect of never finding a job again. If the FBI had really wanted to examine paperwork associated with terrorism, it could have busted into any corporate boardroom where the next lay-off is being planned. It could have sent its operatives to the world headquarters of the Ford Motor Company in Dearborn, Michigan or to the headquarters of General Motors on Jefferson Avenue in Detroit. Or it could simply have marched into any bank and asked to see any of the innumerable foreclosure notices that the bank issues, paperwork which is spreading terror in working-class homes across this country.

These raids were not directed against terrorism; they were calculated to intimidate those enduring economic terrorism. The raids and the continuing harassment of those targeted by them are designed to stop the growing movement against the brutal terror of hunger, the gaunt terror of unemployment, and the stark terror of homelessness sweeping this country. We urge everyone involved in the fight against economic misery to recognize that these raids are an attack on all of us. We call on everyone fighting for economic justice to speak out loudly and clearly against the raids, and to take that call far and wide!

## Inside...

Our articles in this issue of *Rally, Comrades!* are designed to shed light on the political turmoil throughout the country, most specifically, in the mid-term elections. Revolutionaries play an indispensable role in the fight of our people to disentangle themselves from control by the capitalist rulers. The report from the LRNA Standing Committee "Third party: Indispensable Step for Our Class" explores the significance of the inevitable movement toward a third party and

its importance for the development of our class.

"*Revolutionaries Must Teach Class Politics*" addresses the necessity for revolutionaries to engage in the fights before them, playing midwife to class awareness as it struggles to be born. "*Foreclosures: Reasons, Results, Remedies*," analyzes the causes of the foreclosure epidemic and the necessity to nationalize the banks in the interests of the people. "*Corporations and*

*State Merging to Save Private Property*," shows the purpose and outcome of the growing corporatist state, and why nationalization is the battleground for the development of class understanding.

"*Global Shifts: The Middle East in U.S. Geostrategy*" examines the process of economic and political polarization on a world stage, and draws the threads that connect the interests of those who have little or no stake in the capitalist system in the U.S. with those in the rest of the world.

A ruling class that can no longer rule in

the old way is dangerous indeed. It must fight the rising movement and transform society in order to protect private property in the face of a vast economic revolution that threatens private property itself. Like every article that we publish in *Rally, Comrades!*, the LRNA statement on the FBI raids shows that revolutionaries must disseminate a vision of the new society made possible by the economic revolution and show the people they are engaged in a fight for the political power to build that new society.

## EDITORIAL POLICY

**Rally:** to bring back together and put in a state of order, as retreating troops [to return to attack]

**Comrade:** a person with whom one is allied in a struggle or cause

*Rally, Comrades!* is the political paper of the League of Revolutionaries for a New America. In this period of growing motion and developing polarization, *Rally, Comrades!* provides a strategic outlook for the revolutionaries by indicating and illuminating the line of march of the revolutionary process. It presents a pole of scientific clarity, examines and analyzes the real problems of the revolutionary movement, and draws political conclusions for the tasks of revolutionaries at each stage of development in order to prepare for future stages.

It is a vehicle to reach out and communicate with revolutionaries both within the League and outside of the League to engage them in debate and discussion and to provide a forum for these discussions. Articles represent the position and policies of the League of Revolutionaries for a New America.

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## LRNA: WHAT WE STAND FOR

Tens of thousands of socially conscious people declare themselves revolutionaries in opposition to the degenerating social and economic conditions. The League's mission is to unite these scattered revolutionaries on the basis of the demands of the new class, to educate and win them over to the co-operative, communist resolution of the problem.

The demands of this new impoverished class for food, housing, education, health care and an opportunity to contribute to society are summed up as the demand for a co-operative society. For the first time an objective communist economic class is forming to become the foundation for a communist political movement. A new fascist state form, the naked rule of corporate power, is arising to oppose this motion.

Society must take over these corporations or these corporations will take over society. The new class must have political power to achieve these goals. In the effort to achieve this political power the League supports all political organizations and sections of society that fight against the growing poverty, social and ecological destruction, fascism and war.

Nothing can be accomplished until the American people hold a vision of where they want to go and what they want to be. Creating and imbuing them with such vision is the overriding task of revolutionaries and the foundation of our organization.

Destruction of the ecology, the threat of nuclear war and the looming pandemics are calling the very existence of the human race into question. The battle is class struggle. The war is for the existence of humanity.

We in the League face the future with confidence. We call upon all revolutionaries to abandon sectarian differences, to unite around the practical demands of the new class and to secure that imperiled future.

# Revolutionaries Must Teach Class Politics

The reality of polarization and efforts of the rich, the capitalist class, to hold onto their grip in a collapsing economy are the current face of struggle in our country. But American political history and its repudiation of politics means most Americans view such conditions as only the corruption of an ideal. This leaves the majority of Americans fighting with strategies from a past period for goals that cannot be achieved under the current system.

The revolutionary leader knows that the economic system has reached a point of no return, and that those dispossessed by the system have no choice but to fight for the power to shape society in their interest. Those who are already superfluous or are becoming superfluous to a system built around the exploitation of human labor are not aware of themselves as a class and of their interests in contrast to the interests of the ruling class. However, the question of how to fight for such an awareness is anything but simple. One thing we do know is that revolutionaries have to engage in the fights before them, playing midwife to that awareness as it struggles to be born.

There's nothing simple about that process. An awareness of political possibility is not born easily. On some level, most Americans know about the gap between the world's wealthiest hundreds and the billions of people under their control. Many people know that the wealth gap in the United States is the largest since the Great Depression. Everyone acknowledges the disappearing American "middle class," a long-cherished ideal for the American worker. Americans fear the future and see little possibility for hope.

They certainly don't have faith in the current government's solutions. To solve our many economic problems, our government has spent somewhere between Treasury Secretary Tim Geithner's lowball estimate of \$163 billion and the government Inspector General's projection of \$23 trillion dollars (Newsweek reported a year ago that the government had already spent between \$3.2 trillion and \$12.8 trillion) to bail out big banks, giant insurance companies, and auto companies. Of course, it's no secret that none of these industries are looking out for the average American. Foreclosure filings remain at all-time highs and are growing again; health-care coverage, that people will soon be forced to buy, guarantees that hundreds of millions of Americans will remain underinsured; and first-time jobless claims are on their way back to the record-breaking heights of the first few months of 2009, as real unemployment numbers push close to one in four Americans.

But objective economic polarization does not inevitably translate into a subjective understanding and political polarization. The job of a revolutionary is to participate in the movement in a way that will help the combatants become aware of their own class in-

terests. Old ideas will not disappear overnight, but conditions are opening a window to possibilities for political activity that have not existed before.

## AMERICAN DREAM AND CLASS POLITICS

Capitalism has long preached that individual dreams could only be realized through the "free market" system. The possibility of achieving "The American Dream" has been a linchpin that maintained the system. This belief has not only obstructed any clear vision of class politics; it has made the concept

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The fight for class awareness is anything but simple. One thing we do know is that revolutionaries have to engage in the fights before them, playing midwife to that awareness as it struggles to be born.

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of class politics seem all but un-American. If the generations before us could improve their situation, and, today, if one in a million can "make it," then (we have been taught) there are no classes in America.

Of course, the reality of classes in America is inescapable. According to the National Board of Economic Research, the probability of someone rising out of poverty today is as low as it was during the Great Depression. Despite a tumble after 9/11, CEO pay is up 298% since 1990. One percent of the population has 34% of all wealth and 51% of stocks and bonds; the top 10 percent has 71% and 90% respectively. The gap between the rich and poor has widened continuously through four decades of Democratic and Republican Congresses and Presidential Administrations. Still, the false promise of the capitalist American dream is so strong that a purely electoral concept of politics serves mainly to turn American workers against each other precisely when they should be coming together.

Despite the fact that some see Republicans as hawks and Democrats as doves, both parties have strongly supported the wars in Iraq and Afghanistan. Many health-care advocates and workers supported Democrats despite the party's rejection of a single payer health-care plan. Teachers supported the Democrats as a way of rejecting the failures of the No Child Left Behind law even after the President appointed Secretary of Education Arne Duncan, who is the poster child for the privatization of schools, merit pay, and a more competitive classroom environment.

The Democrats' manipulation of the progressive dreams of many of their supporters has made it easy for the most reactionary forces in America to attack the ideals that fueled Obama's support. Though the collapse

of today's economy began decades ago with the introduction of electronics into the workplace – forcing workers to compete with labor that doesn't demand a paycheck – today's loudest rhetoric blames Obama's so-called "socialist" agenda and "weak defense" for failures in foreign wars. Mandated purchases of shoddy health insurance will add to public resentment and the further undermining of allegiance of what once was the Democratic working-class base.

Americans see the alliance between big money and the major parties. As a result, though they are rejecting "politics as usual," their activity is still confined to the electoral

with roots deep in the fascist movement – is popularizing calls for "states' rights," attacks on the legacy of the civil rights movement, and on ethnic and religious minorities, working to divide us precisely at the moment when the needs and demands of those discarded by the system present the solution for all working people.

## LEARNING CLASS POLITICS

These capitalist ideas do not address the needs of growing numbers of angry Americans who can't feed and shelter their loved ones. Demagogues are tapping into something real. Frightened Americans travel to the Washington Mall and echo a populism that says, as one protester did, "This isn't about politics. This is about us." They don't recognize that this populism is, in itself, a political vision and can only turn against Americans facing the same struggles as they do.

The revolutionary leader, then, has to fight for the future only possible through political unity by fighting for the demands of those the capitalist system no longer needs. And that political unity will not grow as an idea separate from the fight; it will grow out of the fight. We fight alongside those experiencing what the capitalist propagandists can't explain, struggling to solve the problems faced by those Americans being forced out of the system.

Unlike the capitalists, revolutionaries have no desire to manipulate people's fears and we have nothing to fear from truth. We aim for real solutions. We work on our different fronts with a sense of the larger context that is necessary to win the war for our future. Within each individual struggle, we seek to identify the next step that will help move that fight to a broader political discussion and awareness of our class interests. As our struggles are thrown against the roadblocks of the State, we search for opportunities to work with others aligned in the same battle. Our political understanding will grow as we work through the complexities of the struggles, engaged in the specific dialogue that comes out of that work. And we will build on that understanding.

With that increased understanding among those fighting together, each front of struggle can then work to define next steps that will help broaden the discussion of our interests as that of a class. In so doing, we will find specific opportunities to awaken the struggle to the deep structure of its reality. We have to seek every opportunity to build a working dialogue that has never before been possible on a broad scale in American society. We have to help clarify what "politics" has to do with "us."

arena. According to an NBC News/Wall Street Journal poll in January, 41% of Americans like the idea of the Tea Party movement, more than those who have a favorable reaction to the Democratic or Republican Party. Still, as the November 2010 mid-term election have shown, the Republicans, with their anti-incumbent strategies, are managing to manipulate this political frustration in their favor, especially at the state and local level.

## MYTHS BREAKING DOWN

The situation is anything but clear to people. The Republicans have managed to co-opt America's distrust of a big government Republicans built to support their corporate buddies and defunded to ignore peoples' needs. The Democrats have worked hard to co-opt distrust of the big business they, in fact, represent. But this co-opting of the struggles is only a stop-gap measure, and the positive side of all of this change is that old party myths are breaking down. As Americans begin to recognize the need to fight this growing alliance of government and big business, opportunities arise for pointing the struggle toward real solutions. But learning how to fight, developing a strategy, is anything but easy. This is especially true as the powers-that-be raise the volume on the kind of racial and ethnic issues that have always diverted workers from their class interests, as well as populist rhetoric that panders to the fear and anger of large numbers of Americans in dangerous and divisive ways.

Revolutionary leaders on all fronts of struggle face the challenge of fighting for clarity and strategy against the death throes of capitalist propaganda. This propaganda – funded in significant part by oil billionaires

# Foreclosures: Reasons, Results, Remedy

There are 124 million year-round housing units in the United States, according to the U.S. Census Bureau. About 52 million homes have mortgages. By the third quarter of 2009, nearly one of every 10 homeowners with mortgages was at least one payment behind in their mortgage payment. That translates into about 5 million homes.

A staggering one in seven American homeowners is either already in foreclosure or behind on payments.

At the beginning of the first stage of the housing collapse, the defaults and foreclosures were driven by sub-prime loans. Those loans had low introductory rates that quickly moved to a level beyond the borrower's ability to pay, even if the homeowner was working.

Today, the bulk of new foreclosures are high-quality prime loans with fixed rates. One-third of the third quarter 2009 foreclosures were this type of loan, traditionally considered the safest. But without jobs, borrowers cannot pay even those mortgages.

Greedy lenders who pushed sub-prime mortgages and unnecessary fees on unsuspecting potential homebuyers definitely made the foreclosure crisis worse – but they did not cause it. The foreclosure crisis is a crisis of the system itself – and shows the need for an entirely new system. Fundamentally, the reason people cannot pay their mortgage payment is because they are losing their jobs as a result of the transformation of the economy. And many of those who are still employed are working fewer hours and getting paid less.

## CAUSES OF THE CRISIS

As long as the rulers of this country needed human labor – and lots of it – in the factories of this country, they were willing to pay good wages to workers in at least the most decisive industries in the most important parts of the United States. Those good wages made it possible for many industrial workers to buy homes. As a result, for decades the United States had one of the highest rates of home ownership in the world. Those wages and that home ownership helped produce the extraordinary political stability of the United States.

Now the development of electronics has led to a new situation. Automation has increasingly eliminated human labor. Even before the current great recession, a survey of 20 large economies all over the world found they lost 22 million manufacturing jobs from 1995-2002. The United States lost 11 percent

of its manufacturing jobs, Japan 16 percent, Brazil 20 percent, and even China lost 15 percent.

Millions of people are simply no longer needed in the production process. This cannot be changed by encouraging banks to renegotiate home mortgages, or by efforts to encourage tourism. The Rock and Roll Hall of Fame in Cleveland, Ohio is not going to undo the damage done by the shuttering of its steel mills.

Government attacks on education, health care, welfare, unions, and civil liberties demonstrate that the ruling class of this country has made a very calculated decision. It will not educate or care for a class of workers that it no longer needs, a class of workers that can no longer expand its wealth.

The crisis in housing is a crisis of the system itself. It can only be solved by getting rid of this system and establishing a new, cooperative society. Such a society is marked by the distribution of the basic necessities of life – including housing – according to a person's need, not according to a person's ability to pay.

## WHAT CAN BE DONE?

People are not taking the foreclosure wave lying down. All across America, homeowners, tenants, and communities are rising up in protest. They have tried and tested a broad range of tactics.

*Walk-aways, or strategic defaults.* With more than 25 percent of homes “under water” now and possibly up to 50 percent by the end of 2010, many owners are simply walking away. If the trend to walk away continues to grow, some lenders may be more willing to reduce principal, especially if people organize to do it collectively.

*Foreclosure and eviction moratoriums, modifications, and debt relief.* Moratoriums can and are being fought for at the local, state, and federal level, with pickets and sit-ins at offices of banks, mayors, governors, and members of Congress. They bring people into political activity.

*Foreclosure and eviction resistance.* Many foreclosed homeowners are simply refusing to leave. U.S. Rep. Marcy Kaptur of Ohio called for her foreclosed constituents to refuse to leave their homes. The Minnesota Five organized an entire neighborhood to fight for the home of Rosemary Williams.

*Legal assistance and class action.* City Life/Vida Urbana in Massachusetts is combining legal defense with bank protests and eviction blockades, and they frequently force

banks to negotiate both interest and principal reductions.

*Mass takebacks and takeovers of foreclosed homes.* A coalition of grass-roots groups carried out mass takebacks and takeovers beginning in May, 2010. Direct action teaches people by deeds, not just words. Human beings have no moral obligation to obey the laws of private property when those laws stand between them and the homes they need to survive.

*The “Right to Housing” movement.* The U.S. Alliance of Inhabitants and others are working with Raquel Rolnik, the United Nations Special Rapporteur on Adequate Housing, to make housing rights a reality in America.

*A movement for “Jobs or Income” patterned after the marches organized by Dr. Martin Luther King Jr. in the 1960s.* As unemployment begins to surpass the subprime crisis as the leading cause of foreclosures, people have no choice but to demand that government act to provide jobs or income for every American.

These are the first steps of the movement, and without these it cannot move forward. None of these tactics take us all the way to the structural change necessary to secure the right to housing for all. But they contain “seeds” that can be cultivated to grow the political motion that could result in that change.

## ORGANIZING POLITICALLY

“No one is an island.” Neither the foreclosure crisis nor the resulting homelessness are “individual” problems. Almost 8 million homes entered foreclosure from 2007-09, and an additional 5 million are projected to be foreclosed on in the next two years. The wave of foreclosures is also causing a dramatic tightening of the rental housing market, resulting in higher rents for millions more and increasing homelessness.

This is the problem of a whole economic class of dispossessed people. They are not just one color, one language, one occupation, one neighborhood, or one city. It is a class of all people whose survival is threatened because they cannot find enough work that pays enough money to pay for the mortgage (or rent).

It is time for people to join forces with others who are in similar situations. There is strength in numbers. We must rise above the daily struggle to survive by confronting the system that created that struggle, and must vie for systemic change.

We start by joining any and all of the

movements and tactics the people are already taking up. We fight to broaden them, unite them one with another, and then with all the movements of the dispossessed for housing, health care, immigrant rights, education, and all our basic human necessities.

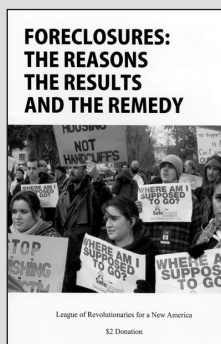
As we grow stronger, we begin to demand that the government defend us by taking proactive action against the corporations that are step-by-step destroying our society. Ultimately the anti-foreclosure movement – like most of the other social movements in America today – needs to coalesce around the demand to thoroughly, completely, and irrevocably nationalize the banks in the interests of the people. Their fabulous resources must be turned over to meet our needs.

This is not the “partial” or “temporary” nationalization supported by Alan Greenspan or other prominent bankers, economists, or columnists. Those are just inventive schemes to extort more bailout money from the government. Nationalization in the interests of the people means not only government takeover of ownership of the banks. It means conversion of banks from profit-making predators into non-profit utilities that only exist to serve the public.

The problem of the fight for nationalizing banks for the people is that the government as it exists now is indisputably owned lock, stock, and barrel by the very institutions we are targeting. The struggle for bank nationalization is therefore inseparable from a struggle to replace our current government – which is run by and for corporations – with one that is run by and for the majority of our people.

The only thing blocking America's dispossessed today is our own thinking. Our minds are still grounded in the ideology of an economy of small producers, an economy that has been in decline for a hundred years and today has virtually disappeared. The role of revolutionaries today is to guide people step-by-step to an awareness of their actual economic position in America's society, and point the way to the solution. The battle to nationalize the banks in the interests of the people is a critical step in this process.

*Excerpted from a pamphlet recently published by the Foreclosure Subcommittee of the National Housing and Homelessness Committee of the League of Revolutionaries for a New America.*



## NOW AVAILABLE from LRNA! FORECLOSURES: THE REASONS, THE RESULTS, AND THE REMEDY

Based on experiences of those battling for their homes, this pamphlet explains the real, systemic causes of the foreclosure epidemic, why the government's programs are not working, and what is the next step in the battle to save our homes.

Orders may be placed by e-mail to [foreclosurepamphlet@gmail.com](mailto:foreclosurepamphlet@gmail.com), and should be pre-paid by sending a check payable to LRNA, with “Foreclosure” marked in the memo line, to LRNA at PO Box 477113, Chicago, IL 60647. Orders may also be placed by snail mail to the same address. Please state how many pamphlets you are ordering.

Individual pamphlet is \$2. Bulk order prices are available of \$1.75 each for 10 or more and \$1.50 each for 50 or more.

# Global Shifts: The Middle East In U.S. Geopolitical Strategy

The current worldwide financial and economic crisis that started in the U.S. reflects the turmoil global capitalism has been in since 2008.

Previously, the U.S. had been able to export the crises generated by capitalist production relations to other countries, while the U.S. remained relatively immune to their devastating effects on populations around the world. However, the injection in the production process of new technologies built around electronics ultimately made it less certain that the U.S. could continue to escape economic devastation. The recent instability in the heart of global capitalism is proof that it is no longer possible for the U.S. to do so.

The current economic crisis has been a long time in the making. It is a consequence of replacing human labor with computer-based production (robotics and such). The more human labor is removed from the production process the less demand is generated as workers can no longer pay for the goods produced. This explains why the capitalists engineered various financial instruments to extend credit in order to boost the demand for goods, while at the same time creating the fiction of a world of abundance, at least in the U.S. Meanwhile, poverty increased in relative and absolute terms across the globe, the U.S. included. The bubble of economic prosperity had its day of reckoning when it was no longer possible to conceal the fact that this prosperity was illusory, built on what were essentially Ponzi schemes that had no backing in real production.

What exacerbated the problem was the way in which the federal government intervened to save the capitalists and their system. Both the G. W. Bush and Barack Obama administrations bailed out the big banks and other financial institutions. This led to an increase in the already high national debt without significantly helping bail out the working class and low- and middle-income people generally. The U.S. capitalists claimed that the policies they implemented through the capitalist State were to put the economy and society back on the prosperity track. However, the main reason the capitalists engineered those bailouts was to recover profits, while giving them time to figure out a way to stabilize private property relations and the dominance of the ruling class over politics and society.

The increasing use of electronic technology in production has resulted in more permanent layoffs, led to shrinking demand, and made the capitalist crisis ever more intolerable. More workers are being left out in the cold, with no place for them in a shrinking economy. The imperative for capitalist expansion has become even more urgent at a time when other middle capitalist powers (such as the BRIC countries, Brazil, Russia, India, and China) are expanding or struggling to maintain their share in the global market. In such a climate of crisis, the war danger is becoming more pronounced, espe-

cially when the U.S. is armed to the teeth and has no compunction about maintaining its dominance through the use of force.

## THE MIDDLE EAST IN U.S. GEOPOLITICAL STRATEGY

It is clear, therefore, that U.S. global strategy is tied to its political economy. The U.S. ruling class has sought to dominate global capital unilaterally and prevent competitors from developing a serious threat to the U.S.

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global economic and military position. Since the fall of the Eastern Bloc and the USSR soon thereafter, the U.S. has increasingly perceived the European Union, China, and India as potential threats to U.S. global domination. In this regard, the U.S. strategy has been to divide and conquer: seek more cooperation with India in preparation for a potential showdown with China.

The Middle East is critical to this vision of maintaining dominance while expanding. Oil is essential for economic activity. Denying competitors easy access to Middle Eastern and Central Asian oil (not to mention Venezuelan and African oil) is of utmost importance to US geopolitical strategy. A weaker Russian federation (both economically and militarily) is also crucial to U.S. interests. The U.S. has worked hard to establish military bases in Central Asia for that purpose, as well as to improve its strategic military position in relation to China.

Israel has been a strategic ally of the U.S. in the Middle East region since at least 1967. Since the 1991 Madrid peace conference, which came on the heels of the U.S. war in the Persian Gulf, U.S. strategy concentrated on improving its already favorable position in the area, both politically and militarily, by seeking peace agreements between Israel and individual Arab states. That process accelerated after the 1993 Oslo Accords. Arab states seized the opportunity to meet with Israeli representatives since the Palestinians were portrayed as being on the verge of entering into a peace agreement with Israel on the basis of the Oslo Accords. Arab states had hoped to end the Arab-Israeli conflict and generate stability in the region. For those states, peace agreements with the Zionist regime have been the sine qua non for their unhindered participation in global capitalism.

It appeared as though, to a large degree, things had been developing as the U.S. intended. The U.S. had essentially secured Iraqi oil, the second largest oil reserves in the world, through the 2003 invasion of the country, while Israel had contained the Palestinians in the occupied West Bank and Gaza. The next thing to do was to work for an agreement between the Palestinians and Israelis that would open the door for Israel to the rest of the Arab world through peace treaties. This would improve Israel's position

Israel's repression of the Palestinian population in the occupied territories and its actions in the region have exacerbated the animosity felt against the U.S. in the Middle East.

The Hizbollah attack on Israeli soldiers and the taking of two Israeli soldiers prisoners on July 12, 2006 unleashed Israeli terror across Lebanon. Despite the devastation it caused, Israel failed to dislodge or destroy Hizbollah. Further, in preparation for disarming and rendering Hizbollah useless as a fighting force with political presence in Lebanon, Israel was unable to isolate it from the Lebanese population. Similarly, despite its devastating attack on Gaza in December 2008 and January 2009, Israel failed to remove Hamas from power.

The recent meeting between Israel's Prime Minister Benjamin Netanyahu and President of the Palestinian National Authority (PNA) Mahmoud Abbas in Washington, D.C. notwithstanding, Israel continues with its plans. It is continuing to build more colonies (euphemistically called "settlements" in the occupied West Bank, including East Jerusalem, with the expressed intention of remaining permanently in the Jordan Valley and unilaterally (i.e. without negotiations) imposing a *fait accompli* on the PNA, and, as the recent comments of Israeli Brig-Gen. Eyal Eisenberg indicate, destroying Hamas as an effective force. ("Outgoing Gaza Division commander: Next War Will be Harsh", *Ynet News Online*, September 24, 2010; Tanya Reinhart, *Israel/Palestine: How to End the War of 1948*, 2005)

These developments bode ill for the situation in Iran, Iraq, and the Palestinian occupied territories (the West bank and the Gaza Strip). But they also indicate that the U.S. will occupy Iraq and remain engaged in the region for a long time to come.

The U.S. has expanded the war to Pakistan beginning with G. W. Bush, and Barack Obama has escalated the war in Afghanistan. These developments are further proof that the U.S. capitalists are prepared to use war to save global capitalism and maintain their dominance over it. The long history of U.S. involvement in the Middle East after WWII and its direct engagement in the region since 1967 (and more recently since Desert Shield in 1990) demonstrate the centrality of the Middle East to U.S. global strategy.

## RESISTING EMPIRE

All these machinations by the U.S. and some of its allies to save global capitalism have generated significant resistance globally. That resistance has followed three main trajectories: (1) the social democratic regimes (anti-imperialist but not necessarily anti-capitalist) in Latin America (Venezuela, Bolivia, and Ecuador are examples); (2) anti-globalization grassroots organizations (anti-

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# Corporations and State Merging to Save Private Property

*This Building Block article is one of a series which explains a basic concept of the revolutionary process, challenging readers to explore its meaning for political work in today's environment.*

As the majority of humanity strives to change the economic system to align with the revolution in the means of production that is eliminating labor, the ruling or capitalist class is maneuvering to make sure it holds on to its privilege and private property even beyond the end of capitalism itself. This is expressed by the merging of the State and the corporations, the naked domination of the corporations and their interests.

The State is the organized representative of the interests of the dominant class who own and control the corporations. It uses force and political power to maintain the ruling class's dominance over the exploited class – most of humanity – through the use of armies and police, as well as through law, custom, and media propaganda.

The corporations use the State apparatus to guarantee their interests and their profits, whatever it takes. The relationship between capitalist and worker that is the basis of capitalism is disappearing, but the class of billionaires who own and run the corporations as private property intend to guarantee that they retain their power, wealth, and privilege under whatever new form the economic system takes. The State is rapidly moving to grant corporations, which extract wealth from society for the owning class, unlimited rights and powers. The recent Supreme Court decision to grant corporations unlimited power to buy and influence elections right up until election day, which been met with wide public outrage, is rightly seen as an enormous step toward naked corporate control of the political process and the dismantling of whatever is left of bourgeois democracy.

As workers are replaced by automation, with outsourcing to countries with virtual slave labor as an interim step in the process, capitalist relations are being broken and destroyed. A constantly growing mass of workers no longer have a place or stake in the capitalist system. This new class of thrown-out workers cannot get what they need from the old economic system. Their struggle for the necessities of life brings them directly up against the oppressive and violent reality of the State. The State is reorganizing to protect private property under these new conditions of workerless production.

The financial crisis and meltdown which hit in full force in 2008 was a result of this epochal process, the crisis of the antagonism between capitalism and the new labor-replacing means of production. The enormous expansion of the financial sector profited from money making money, in various speculative Ponzi-scheme type transactions. The financial bailout was one of the greatest

transfers of money and wealth from the working to the owning class in the history of the world. When the house of cards collapsed, the government, under the pretense of reform, guaranteed that the remedy would be in the interests of the corporations and the ruling class who owned and profited from them. Trillions of dollars were directly funneled from the coffers of government into the pockets of the corporations. Individuals with close ties to the financial sector were brought into the government to oversee this crisis and the bailout of the banks, financial institutions, and corporations, not of the suffering people. The government, on the executive side, was loaded up with former executives of such major players in the looting as Goldman Sachs.

There are 400 billionaires in the U.S. on one side of this deepening class divide and on the other millions of families losing their homes through foreclosures, facing lost jobs and the end of their unemployment benefits, students unable to bear the cost of rising tuitions and crushing debt obligations of higher education, hungry children, unemployed and incarcerated youth, and the destitute and homeless millions.

The militarization of the police and the police murders of unarmed people, especially our youth (as in the recent murder of unarmed and handcuffed Oscar Grant in Oakland, California) plays out in the streets of the poor neighborhoods of our cities, as well as in the impoverished rural areas, as it does in the slums and dusty streets of Iraq and Afghanistan. Increasingly, the military is outsourced and corporatized, with the supplying of armies and even the fighting of these wars being carried out by private, for-profit corporations, with former and future executives of such behemoths as Halliburton and its subsidiaries in the highest circles of government. These same corporations are also in the prison business, profiting from the incarceration of the criminals of poverty, the victims of the chemical warfare against our youth that is the plague of drugs and the War on Drugs, and the criminalized immigrant workers.

Privatization of the most basic necessities of life, such as health care, utilities, and water is wiping out whatever was held in common for the common good. Eighty thousand households in Detroit have had their water cut off, as corporations move to squeeze the last drop of profit from privatized water. Those without these basic necessities – housing, food, water, heat, healthcare, education – have no choice but to fight for these things as a right, and not something sold for money that they can no longer earn.

To shore up the collapsing system, the government is taking over and nationalizing key sections of the economy in the interests of the ruling class. This is in a sense socializing in the interest of private property, rather than for the good of the people: at the peo-

ple's expense, but profiting the capitalist class. The fight around nationalization at this stage is the demand that nationalization be done in the interest of the people. The question of nationalization is the battleground. Independent political power for our class, toward the transformation of society and so-

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cialization of the means of production, must be the outcome.

The people's scattered struggles for what we need to survive and thrive are the first steps toward a conscious understanding that these necessities and what produces them must be publicly owned, by the people and for the people; and that this can happen only in a cooperative, communist society.

## Global Shifts: The Middle East In U.S. Geopolitical Strategy continued from pg 5

capitalist but essentially unorganized given the huge task ahead of them), primarily represented through the World Social Forum and U.S. Social Forum; and (3) resistance movements in the Middle East (primarily nationalist or Islamist, which implies that they are not anti-capitalist, even though they are anti-imperialist). (For more on this, see Ibrahim G. Aoude, "Global Shifts, the Imperial Project and Resistance in West Asia," paper presented at the World Congress for Middle East Studies, Barcelona, Spain, July 2010).

In the Middle East resistance to the imperial project has taken multiple forms: working within the system while engaging in civil disobedience (Egypt is a prime example); armed resistance against Israel while engaging in the political process as an effective political force (Hizbollah in Lebanon); maintaining armed resistance under siege conditions ( Hamas in Gaza); and armed Nationalist and Islamist resistance forces that engage in the political process (Iraq). All these movements have been able to survive because of their deep roots in their respective populations.

So it has been the resistance to U.S. (and Israeli) occupation in the region that has thus

far played a crucial role in frustrating the realization of U.S. strategic goals in the region despite the devastation. Resistance in the Middle East has been critical to frustrating U.S. strategic goals on a global scale as well.

But this diverse and growing resistance lacks a vision of building cooperative societies as part of a global system that could meet the needs of humanity.

### TASKS OF THE REVOLUTIONARIES

The tasks of the revolutionaries are rather clear: recognizing the war danger and its origins and the role of the U.S. in global capitalism, it becomes critical to see the relationship between the domestic and international policies the U.S. is following. The need to impart that realization to workers in political motion is paramount. Rallying the social forces that have no or little stake in the capitalist system would be the first step in organizing to defeat a vicious capitalist system that has perpetrated crimes against all of humanity.