

RALLY COMRADES!

THE VOICE OF THE LEAGUE OF REVOLUTIONARIES FOR A NEW AMERICA

Public Education: What Are We Up Against?

Over the last two years corporations have launched a strategy to reorganize the American government. Together with their political allies they have bailed out giant banks with trillions in taxpayer's money and lowered taxes on corporations and rich individuals, forcing destitution and cuts to the services the public desperately needs.

Some of the worst cuts have been in public education. Schools and colleges have lost billions of dollars, employees have been laid off, and students have faced huge new fees. Rather than proposing ways to protect these public resources, corporate forces have launched unprecedented efforts to transform public education into commercial property through privatization and corporatization.

On March 4, 2010, recognizing the primary importance of public education as the means to secure a decent future, nearly a million people in over 30 states and 13 countries marched to demand that public education be guaranteed as a public right. The upcoming school year will see corporate attacks on public education expand in all directions. The public response has now been developing for two years. How much further will it go? When will it begin to pass from the defensive to the offensive? What are we up against?

When Wisconsin's Governor, Scott Walker, recently proposed cutting teacher pensions and eliminating bargaining rights for public workers, working people in that state mobilized and occupied the state capitol for nearly a month. Teachers, students and parents, from K-12 to higher education, played leading roles in the protest.

Michigan's Governor, Rick Snyder, went even further with a law giving him unlimited power to appoint an Emergency Financial Manager (EFM) – which could be a corporation – that can take control of any government entity in the state, voiding any contract unilaterally and making any cuts in services and employment. The day the bill became law, the EFM of Detroit public schools, Robert Bobb, laid off some 5500 Detroit teachers.

The relation between the Wisconsin and Michigan events is key. The AFL-CIO in Wisconsin immediately conceded to Walker's demands to cut wages and pensions, but drew the line at the elimination of collective bargaining and union dues check-off.

The Michigan law, as well as similar attacks in other states, reveals that the real game plan goes much further than the withdrawal of economic labor rights. In every state, the goal is to wage a political attack against the very right of people to determine the role and function of government itself. The EFM law sets the precedent to abolish the political right of the public to control their government.

The capitalist class is today implementing a completely new approach. While the movement is fighting on a state-by-state or city-by-city basis, the capitalist class is operating with coordinated national strategies. Though not monolithic, from pushing school vouchers to funding for-profit higher education, these all are designed to reconfigure society to serve corporations in today's world.

WHY PUBLIC EDUCATION? WHY NOW?

Throughout U.S. history, the capitalist class has always attempted to configure public education to support the labor market. Public education was an essential subsidy to capitalism during the industrial era where production was driven by the assembly line. Public education guaranteed that workers had the basic skills necessary for skilled and semi-skilled industrial jobs. Thus, education was one of the key components of the social contract between industrial capital and industrial workers. Later, other elements of this social infrastructure were pensions and health care, provided as a condition of work.

The public, on the other hand, has always fought to expand and improve the quality of public schools. From fighting against child labor in the era of the robber barons to fighting for integrated schools after the Supreme Court's Brown decision, working people have consistently sought to expand *their* power over their schools.

Public schools, from K-12 through public universities, are still the largest section of the government that is directly under public control. Local school boards and university regents are either elected by the public or appointed to carry out the public mandate. Capitalism created that system for the good of industrial capitalism, but claimed it was for the good of the people. Now, they're destroying it for the good of post-industrial capitalism, while claiming the same thing.

Entitlements such as public education, Social Security, and the public ownership of schools are now considered impediments to profit. NAFTA, which came into effect in 1994, declared that public education is a service (not a right) that can be bought and sold as an investment. The privatization of public education is already a trillion-dollar-a-year industry.

Seventeen years ago, corporate think tanks were investigating how to reorganize the workforce to adjust to the impact of electronic, job-replacing technology. In its September 19, 1994 issue *Fortune Magazine* ran an article called "The End of The Job", stating, "As a way of organizing work, it (the job) is a social artifact that has outlived its usefulness. Its demise confronts everyone with unfamiliar risks – and rich opportunities."

The article continued, "The conditions that created jobs 200 years ago – mass production and the large organization – are disappearing. Technology enables us to automate the production line, where all those job holders used to do their repetitive tasks ... Big firms, where most of the good jobs used to be, are unbundling activities and farming them out to little firms, which have created or taken over profitable niches. Public services are starting to be privatized, and the government bureaucracy, the ultimate bastion of job security, is being thinned."

Under capitalism, electronic production replaces huge numbers of jobs. For those who still work, it demands a completely contingent labor market, where jobs are offered on a limited, "just-in-time" basis.

The corporate agenda is to configure government to control wageless production in a jobless economy. Government at every level is being reorganized to get rid of its responsibility to support public education and to turn this power over to corporations. This direction was clearly described in the paper "Tough Choices or Tough Times", a Report of the New Commission on Skills of the American Workforce, from the National Center on Education and the Economy. Financed largely by Bill Gates, the report calls for ending public schools and replacing them with "contract schools." These are charter schools on steroids, in which private corporations would make all the choices about education. Local school boards would be reduced to signing contracts.

The United States has one of the most decentralized governments of any industrial country. As a result, a large part of the old social contract was administered through state governments, rather than federally. Like the neoliberal "adjustments" currently imposed by the World Bank and the IMF on entire countries, the attacks on state governments are pre-eminently political attacks on the role of government itself. In order to maximize profit in a time of world historical crisis, capitalism must alter the role of government and the State.

THE PROMISE OF PUBLIC EDUCATION

For the first time in human history, electronic technology has the potential to provide everyone with high quality education. But, this is impossible if education is organized on a commercial, for-profit basis to support corporate profits.

Corporations cannot transcend the contradiction, for example, that it takes more human labor to teach children with special needs or language needs. Making a profit demands curtailing these unprofitable forms of public education.

Published online by the Charter for Public Education Network, "The Charter for Public Education", developed by the British Columbia Teachers, in consultation with the community in public hearings across the province in 2002-2003, beautifully states what public education should be:

"As a community we promise to prepare learners for a socially responsible life in a free and democratic society, to participate in a world which each generation will shape and build. We promise a public education system which provides learners with knowledge and wisdom, protects and nurtures their natural joy of learning, encourages them to become persons of character, strength and integrity, infuses them with hope and with spirit, and guides them to resolute and thoughtful action."

This vision has been reaffirmed by the rising movement across America to demand that public education is established as a public right for all. This is a political struggle and must be recognized as one. It cannot be achieved by tinkering with incremental compromise in the face of an all-out political assault on public education.

THE YEAR AHEAD

In the past workers could rely on small incremental economic improvements in life

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Editorial: Battle to Change the World

Half of all humanity lives on less than ten dollars a day, while the richest one per cent own half of the world's wealth. Colossal debt? No money to meet the needs of society? Five hundred of the world's multi-national corporations had revenues of \$212 trillion in 2007. As pointed out in "Transforming World Economy Lays Foundation for World Revolution," in a world where we are seeing the devastation wrought by a system that is fundamentally broken, we see the objective process of the corporations merging with the State to realign society according to market principles, and democracy be damned in the process. Every move they make to secure the interests of private property further exacerbates the misery of a global propertyless class for whom the distribution of the social product according to need has become a matter of necessity.

Well, they have done it now. The battle is on. By moving in draconian fashion to control wageless production in a jobless economy and to make the workers pay for it,

while at the same time waging an all-out assault on government "of, by and for the people," the ruling class has forced the political battle to determine which class will hold the power to reorganize society – who will have the power to decide the future?

The very real destruction of society means that the vast majority of society, the "world-historical" class of propertyless workers, of which the American working class is an integral part, must fight forward for a new society organized in its interests. And, in a time in which we can and must change the world, according to "The Leap: New Ideas are Key," class consciousness is the linchpin. In the final analysis, only human beings can make the changes that history demands. The work of revolutionaries in this process is critical, to assure the step-by-step process along the path-to-power, where the subjective aspect is key.

"Revolutionary Work Must Address the Political Nature of the Struggle" raises the question, where are we now in the process, and what is the next step forward? We are

seeing a growing response to the budget cuts being carried out on the state level, as well as the federal debate to drastically cut Social Security, Medicare and all other social services. "Taxing the rich" is gaining traction with the people as a practical solution to the budget crisis. They are beginning to see that this is really a fight about whether the interests of private property will prevail, or whether the solution lies in making private property public property. Taxing the rich is one step along the path to fight for the redistribution of the wealth that society creates in the interests of the public. It is not everything, but it is a step forward in deciding this battle in the interests of the workers.

A case in point is the struggle being waged on the future of public education, as "Public Education: What are we up against?" spells out. The ultimate goal of the "reformers" is to destroy public education, a fundamental bulwark of democracy, by privatizing education for corporate profit, drastically cutting public funds for educa-

tion, and reconfiguring education to meet market demand. In the process teachers and their unions are scapegoated and attacked in order to weaken any resistance to their aims. At the heart of this battle is the question of whether the government is going to provide the resources to enable the building of a quality education for all of our children, not just to serve the interests of the corporations. Again, in whose interests will the government serve, the corporations or the propertyless workers?

Humpty-Dumpty is broken and cannot be put together again. The American empire is in decline, but there is no going back. Fascism is objectively arising on a world scale to protect the interests of private property. At the same time, the class of propertyless workers is arising to fight forward to a new world in which the socially necessary means of production and the distribution of the social product according to need defines a new world order. Let the battle be joined.

What is political struggle?

To develop a strategy to bring our class to the stage where it can wage a successful struggle for political power in its class interests, revolutionaries must understand the process of social and political change.

Classes are groups with common economic interests that can act politically to achieve changes beneficial to their interests.

During periods of stability, when the legal and political system conforms to and supports economic progress, legislative and electoral politics allows for changes and

adaptations in the system. These occur, often accompanied by social and political turmoil, but without threatening the system itself.

At certain junctures of history, fundamental changes in the economy occur. Old classes are destroyed, new classes form, and the old order is unable to accommodate new realities. These transformations occur throughout history. We are in such a period of transition and transformation now, from industrial production to electronic production.

In such periods, a new way of organizing

society, a new system of power relations is called for. The old sys-

tem is unable to adjust to the changes brought about by economic progress. As the conflict plays out in the legal and political system and in society, these junctures of history are periods of profound instability. All of society is drawn into political struggle – the struggle over which class is going to hold power and organize society in its interests. This political struggle to reorganize society is only possible in such times of transition.

The fight for what they need to survive

will force the workers to confront the question of which class holds political power and in whose interests. They cannot recognize, act on, or develop strategy and tactics without the consciousness of their own class interests, and the need for a political solution to the problems they face. A strategy and an approach that politicizes and educates from within this broad awakening to develop consciousness of class is no longer a theoretical issue, but a practical necessity.

Excerpted from "Political Struggle Requires Understanding of Class and Strategy", Rally, Comrades! March/April 2010, available on our web site.

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.

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.

Revolutionary Work Must Address Political Nature of Struggle

Multi-billionaire Warren Buffet's frank statement that there's class war going on and that "it's my class ... that's making war, and we're winning," reflects his more charitable approach to protecting his billions. As the industrial system grew in the United States, the class struggle between workers and industry owners was bloody and heroic. This relationship created a social contract that allowed workers to reap many of the gains of that growth, laying the basis for broader sections of society to win inclusion and a place (albeit still often a second-class seat) at what was a rich table.

Recently developments in Wisconsin and especially Michigan tell us that there's something new happening in the struggle today. The dramatic public response to attacks on public employees in Wisconsin and the institution of direct corporate political control in several Michigan cities point clearly to how times have changed. The nature of the attacks as well as people's understanding of and response to them hold lessons for the content of revolutionary work.

WISCONSIN ATTACK EVOKES RESPONSE

Attacks in Wisconsin captured the attention of the whole world, the even more significant Michigan events, less so. Why?

Wisconsin and the state university campus in its capitol have a history of struggle. The direct attack on collective bargaining, the legal basis for the activity of the broadest of working class institutions, drew the union movement into the fray. It is in the DNA of unions to fight for collective bargaining and to support or pressure Democrats. Thus interpretations of Wisconsin as "an attack on unions," or an attack on the "middle class," leads naturally to an analysis that harks back to a past century's economic struggle. Calls for protest directed energy back into the Democratic Party and into pursuing partnerships and negotiations to "preserve the middle class."

This isn't just the back-and-forth of "politics and union-busting as usual." Nor is it just a little more greed and cruelty than we're used to, or the plan of one political party. Using historical rhetoric to describe what is really happening takes it out of the context of the revolutionary changes going on in society. The ruling class is struggling not just to make the working class pay for its crises, but to institute the political changes that will enable it to manage in a fundamentally changed economy.

MICHIGAN SHINES LIGHT ON POLITICAL STRUGGLE

The Emergency Financial Management (EFM) law in Michigan reflects the political nature of the attack. Changes in State structure there fly in the face of democracy: governmental entities - turned over to corporate managers; the right to vote for one's elected

leaders - completely abrogated; bargaining rights of public employees - history at the stroke of a corporate pen. Yet there has been much less public reaction than to the struggles in Wisconsin.

Certainly, the ruling class has sought to use the question of race to scapegoat and isolate the small one-industry towns, of poor, working class, predominantly African-American population such as Benton Harbor, Michigan. But there is also something more. The institutions and forms of struggle from the industrial era are not equipped to take up the challenge of a struggle that has moved beyond the negotiation of an economic contract to the workers facing the State directly in political struggle.

Leaders who understand the nature of the struggle are emerging. Their voices are at the center of the struggle to develop an independent class voice. Michigan raises the banner that survival is going to require taking on the political system itself.

POLITICAL DIRECTION TODAY

The owners of productive wealth have shaped the laws, force, and violence that protected their wealth since the 1700's. Today the old productive relationships can no longer contain and distribute what can be produced with the wildly productive instruments of increasingly robotic production. The capitalists must keep the means of production (which could feed, clothe, house and educate everyone) in private hands, but robotic laborless production creates instability and threatens their control. They are acting accordingly. Two classes, locked in an economic struggle for centuries, face one another outside their economic relation - that is, politically.

In politics as in personal matters, recognizing when a long-term relationship is fundamentally broken allows one to take the steps to move forward and out of it. The economic relationship between the two classes in our capitalist system has changed, so society and politics are changing. We are no longer just wrangling over "how much" in an economic struggle. As society polarizes, its two classes face each other in a political struggle over who will have the power to decide the future. With that, the character, the quality of the struggle changes. Those who hope to lead it forward must think, act, and plan accordingly.

Cyclical crises of capitalism have been occurring for more than 200 years. Workers have always been told just to hold on until the tough times are over. But fundamental changes in the economy in the last 40 years mean the face and future of "recovery" from the current crisis is one that will benefit only the financiers and their class.

The outlook is for further, deeper financial instability as the housing crisis grows. A third of the working population is unemployed or underemployed or can't live on what they are earning. No one is predicting a

recovery of employment. The top 1% grows wealthier as speculative and corporate profits boom. The new jobs being created are for robots and those who design, make and run them.

This is the context for understanding recent attacks on labor in Wisconsin, Ohio and dozens of other states: the institution of Emergency Financial Managers in Michigan, the mass firings in the Detroit Public Schools, growing anti-immigrant legislation, and "austerity" cuts responding to a so-called debt crisis created by the financial system.

The all-out political assault on a government "of the people, by the people, for the people" is the fascist face of a fundamental and revolutionary change in how society is governed. These efforts go beyond government plans to gut the safety net and soak the poor. Corporations today are no longer distinguishable from the government itself. They are transforming its role, implementing plans to loot the public treasury, and reconstructing the State apparatus to meet the needs of a capitalist class in crisis. Their mantra: protect private property and maintain social control.

THE ROLE OF REVOLUTIONARIES

Revolutionaries participating in the struggle as it develops are confronted with the challenge of bringing to it a vision of the way forward - not to divert it in the interest of one or another ideological or institutional trend, but to keep it on track toward real solutions and social transformation. This moment is pregnant with the opportunity to propagandize about the nature of the struggle ahead and awaken the American people as the struggle moves from the economic to political realm.

To do that, revolutionaries have to know what they are up against. It's not enough for fighters on scattered fronts to support each

other, to build a bigger movement. Revolutionaries need to understand and educate about the common political struggle in which we are all now engaged, whatever its particular face on each front. Within the struggle against the ravages of an economic revolution, the corporate reorganization of society must be confronted with the common demand to reorganize society in the interest of humanity.

We are fighting not to go back to something (which is impossible anyway), but to move forward to reshape the world. Introducing that understanding can't be done just by calling for mobilizations or talking about how people should be thinking. Classes, and the parties they form to represent their demands, aren't just called into existence. They develop as a class becomes conscious of its real interests through broad political struggle.

The art of revolutionary agitation and propaganda, of building political understanding and revolutionary leaders, is applied only in the long, hard organizing and fighting on the fronts where the class is in battle. Integral to the struggle, revolutionaries can use the understanding developed by propaganda to shape agitation that expresses the next steps to its ultimate goals. Guided by a strategy attuned to the times, revolutionaries can - and must - build an organization and a press able to spread the understanding of the nature of the struggle.

What people think and do makes a difference. As the work of thinking revolutionary fighters bears fruit in the broader political struggle and the American people begin to see what they really face, they will reject those who keep them tied to leaders and a system that holds no hope for them. Our aim is to arm those who are socially and politically active with the understanding and the revolutionary organization needed to fight for our future.

You Need *Rally, Comrades!* *Rally, Comrades!* Needs You

The world is in the midst of rapid change. You or those close to you might have been threatened with or suffered loss of job and home. You are deeply concerned about what's happening to our world.

Rally, Comrades! stands out, offering a sound and clear analysis of the way forward. *Rally, Comrades!* shows how capitalism is coming to an end. *Rally, Comrades!* and the League receive no donations from corporations, foundations or government. We rely completely on volunteers and donations from readers like you to carry out this urgent work.

PLEASE GIVE AS GENEROUSLY AS POSSIBLE TO:

Rally, Comrades!

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Make checks to: LRNA (with *Rally Comrades!* on the memo line)

Transforming World Economy Lays Foundation for World Revolution

The world is being remade. The much discussed shift in the center of economic gravity to the East is only one aspect of the transformation taking place in the entire world system. Capitalist production, finance, and control of the world's resources are concentrated in a handful of corporations and a narrow stratum of billionaires. The world economy is integrated and interconnected across national boundaries. All the world's nations are being remade and remade again by its demands. The world economy is based on the highest level of the means of production ever known. These qualitatively new means of production are destroying the old world and all its relations, laying the foundation upon which communism can finally be built.

FROM ONE STAGE TO ANOTHER

Since WWII, under the hegemony of the U.S., the strategy of global finance capital has been the endless dismantling of every barrier to its access to the world's markets, strengthening of the world's monetary system around the dollar, and securing not only "developing nations," but also "dominant nations" as an avenue for their purposes.

Neoliberalism (sometimes called the Washington Consensus) is a term applied to the general guidelines developed by the bourgeoisie at a particular stage in the development of the world economy. It was a set of guidelines that sought to address opportunities and needs that were opening up in the world at that time. Chief among these were the increased economic power of the multinational corporations (MNCs), a developing global network of transnational corporations (TNCs) and the opening up of new markets with the destruction of the former Soviet Union and the communist bloc.

A specific constellation of political conditions in the late 1980s and early 1990s made possible the implementation and advance of neoliberalism. These were the foundation laid by the policies of Ronald Reagan and the UK's Margaret Thatcher, a developing "consensus" among the ruling powers, and, with the destruction of the Soviet Union, the unrivaled economic and geopolitical dominance of the U.S.

The State played an indispensable role in the implementation of the new guidelines. In the U.S. and the European nations, the State instituted laws and policies that drove down the cost of production by destroying the standard of living, cut the taxes of corporations and the most wealthy, removed the last barriers to financial regulation, and shifted each round of the inevitable episodic crises onto the backs of weaker nations and the world's workers, including their own.

In the neo-colonies, in the Soviet Union and in the countries of the communist bloc, governments were overturned, the old political systems were dismantled, and the powers of the State were used to throw open the doors for exploitation by global finance cap-

ital. Yugoslavia, the Caucasus, Central Asia and Iraq among others were considered the "emerging markets" of their time. These countries were secured both as markets and as sources for raw materials either through military invasion and occupation or through entangling them in a web of debt.

Throughout the 1990s and into the 2000s, wave upon wave of financial crises revealed the neo-colonies as a weak link in the global economic system. Many of these countries labored under huge amounts of debt forced on them by the IMF and the World Bank. They were unable to develop their economies or their internal markets, or to protect themselves from speculative attacks. These crises were "contained" within the pe-

economic integration. Indeed, those financial crises helped to lay the foundation for what Ziya Onis and Ali Burak Guyen described in their 2010 article "The Global Economic Crisis and the Future of Neoliberalism," -- "an era of prosperity for the world economy characterized by record expansion in trade volume, abundant liquidity and foreign direct investment, and more than respectable growth rates in every region."

ECONOMIC INTEGRATION, INTER-CONNECTION AND CONSOLIDATION

The world economy today is barely recognizable from even the days of the "Washington Consensus". The structure and

The demands of the worlds' peoples can be summed up as the demand for a cooperative society - the public ownership of the socially necessary means of production and the distribution of the social product according to need. Every effort, every struggle, every moment, must be used to teach this lesson to the rising proletariat.

riphery, but they brought with them social and political upheaval. The bourgeoisie worried that these weaknesses could have a wider regional and possibly global impact. As the push to further integrate the global economy advanced, something had to be done to shield the system from itself.

The many articles, books and presentations about "globalization and its discontents," as Joseph Stieglitz put it, expressed the bourgeoisie's growing recognition of its objective problems. New guidelines started to emerge, labeled the post-Washington Consensus. Around this time, the IMF and the World Bank began advocating that "developing countries" adopt various policies designed to not only prevent their economic weaknesses from destabilizing the world economic system, but also to restructure them as a new source of economic growth, investment and profit.

These policy prescriptions furthered the interests of global capital. Instead of "aid," developing countries were forced to go to global capital markets for credit and loans. The accumulation of foreign exchange reserves were promoted as insurance against financial crisis, but were essentially the means of creating great pools of dollars that could be cycled through the global monetary system. More diversified production and export patterns would facilitate the further development and integration of production, supply and distribution chains under the control of the MNCs/TNCs.

Between 1990 and the crash of 2008, despite the waves of financial crises, the world economy went through another round of

character of capitalist production and finance is increasingly global in scope, increasingly integrated between its productive and financial aspects and between its national and international aspects.

National capital, a national bourgeoisie (in locally based companies as well as multinationals) and national economies still exist in every country. There would be no "country" without them.

But, they are increasingly integrated into the global economy. Outsourcing, subcontracting, and various licensing agreements have resulted in a production chain and complex webs of vertical and horizontal integration across the globe in such a way that it is increasingly difficult to separate local circuits of production and distribution from globalized ones.

Multinational and transnational corporations are now responsible for about one quarter of the world's production and two thirds of global exports. As much as 40% of global trade is between cross border affiliates, employing almost 100 million people worldwide. The revenues of 500 MNCs exceeded \$212 trillion in 2007 and the combined sales of the top 200 were equivalent to 28% of the world gross domestic production.

In almost every sphere, the world's resources, means of production and money are owned by a handful of corporations. Fifty-one percent of the world's hundred wealthiest bodies are corporations. Raw foodstuffs and meatpacking are controlled each by just four corporations, dominated by Cargill whose \$120 billion in annual revenues is bigger than the economies of more than two

thirds of the world's countries.

Where is all the money going to go? Enter the new set of "emerging markets." As the advanced economies have experienced deep contraction, the "emerging markets" have become the lone engine of world GDP production. As the economies of the "developing countries" are reformed, all eyes are looking to the "emerging markets," to their so-called middle class and all the projected wealth from resuscitated states. These states are now being encouraged to borrow, expand, and export the world economy into another round of moneymaking for the consolidating global financial industry and what is now a handful of networked and powerful multinationals who dominate production and distribution. No wonder there are warnings that the bond market will be the next bubble on the horizon.

REGIONAL BLOCS

The U.S. is still the most powerful nation in the world, both economically and militarily. Yet the transformation in the means of production and the restructuring of the world system is breaking up the foundation upon which this dominance has been based, signaling the historical tendency toward U.S. decline.

The bourgeoisie itself encourages the formation of trading blocs, further contributing to this historical tendency toward U.S. decline. Regional blocs foster greater efficiency and organization in supply and production chains, and are an organized conduit for the penetration of capital. Countries have to compete with the rest of the world for markets that are increasingly saturated due to the inability of the world's consumers to buy.

Regional blocs guarantee access to foreign markets for both financial services and for products. Regional blocs also serve the national bourgeoisie of their countries, from the ranks of which are emerging new billionaires, whose business concerns are part of a global circuit of production and distribution of goods that tie them across national boundaries and into the broader global ruling class.

At the same time, the "emerging market" countries are largely poor, and struggling under massive external debt, with export oriented economies that are vulnerable to the contraction of the world market. Some are only one rung above the poorer so-called developing nations from which they emerged. (China has to be viewed as a case in itself).

At the moment, these nations, even China, are not economically strong enough to challenge the U.S. and all, even China, are forced to live for the time being under the domination of the dollar. But the growing economic instability in the world, the inability of the consumer to buy, and the competition for markets lays the foundation for the inevitable trade wars to turn into shooting wars.

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CHANGING THE FORM OF THE STATE

The massive concentration of the means of production and wealth inevitably calls forth the need for a concentration of State and political power. On a superficial level, this is being reflected in much hand wringing over the need for global financial regulation (which will never happen) and the incorporation of a new round of countries into the new G-20 (a case of keeping your friends close and your enemies closer).

The real issue is that the capitalists – in the “dominant countries” and in the “developing countries” alike – cannot move these markets of the world to the next stage of exploitation. The process of the merger of the State and the corporations is objective. The political superstructure has to be aligned to the changes in the base, whether this is in a “developing,” an “emerging” country or in the U.S. or Western Europe. Economies and societies must be refitted to make possible the next round of global economic integration.

The State is the only mechanism that can accomplish this. Critical to the new and emerging guidelines of the post-Washington Consensus is a reconfiguring of the form of the State and the role it must play in the next stage of development. While the actual implementation does and will vary, there are general guidelines around which a consensus is emerging. The State must operate for the market and according to market principles. A mix of public and privately held concerns is acceptable as long as they are able to compete. Social matters, such as health care and education reform, are matters of the market, growth, and the creation of buyers for all those products, not some abstract betterment of humankind.

These adjusted guidelines are the ideological and policy framework that ties together the strategy of an emerging global ruling class, regardless of how powerful or weak a country might be. In the U.S. the temporary nationalization of the banks and financial industry and the nationalization of General Motors and Chrysler were only an expression of what is becoming necessary everywhere. Health care reform is a matter of growth and the market; education reform is to educate that narrowing strata of workers for the specialized division of labor of the U.S. economy.

In the developing countries, the State is now being deployed to organize and manage an export driven economy, implement policies that seek to develop an internal market of consumers capable of buying the products being produced, and facilitate infrastructure projects that offer national and international capitalists greater scope for financial exploitation.

As we know, in the U.S. and in other places in the world these guidelines are generating their own contradictions and struggle, furthering political polarization.

DEMOCRACY ONLY FOR THE RICH

With a world now full of propertyless, the objective foundation for bourgeois democra-

cy is being destroyed. A new complex of ideas that defines people's relation to society and to one another, along with society's relation to them will have to be consciously developed.

The bourgeoisie's thinkers are working to articulate this complex of new ideas. Democracy can only exist to the extent that it advances the exploitation of markets and the interests of a narrowing bourgeoisie as a class. Today, democracy is only for the very rich.

The purpose of the capitalist State is to manage and protect the overall interests of the capitalist class as a class. The State, forms of government, and the political system are shaped and reshaped to further these interests. The challenge to the bourgeoisie today is that the deeper integration and interconnection of the economy is taking place under conditions of the destruction of the capitalist system itself, the stark and rapidly advancing polarization of wealth and poverty and a growing instability in every aspect of the world economy. Fascism on a world scale is arising from these very conditions to protect the present and future interests of private property, and to stand against the social forces arising in opposition to its horrors.

MIDDLE EAST: PART OF BREAKING UP THE OLD NEOCOLONIAL ORDER

The pressure to change the world's markets is coming from both outside (global capital) and from within the countries (the national bourgeoisie, different strata and between classes of people). The Middle East is one of the least economically integrated regions in the world; that integration is blocked by, according to a February 2011 World Bank report, “Trade Integration as a Way Forward for the Arab World”, “deeply rooted privileges and unequal treatment of investors,” which are obstacles to national bourgeoisies and global capital alike. The report praises the uprisings in the Middle East for creating the “conditions for a big push toward greater regional and global trade integration of the Arab world” and sweeping away the old regimes that now stand in the way.

As revolutionaries, we stand with the peoples of the Middle East as they fight against capitalist oppression. But this should not blind us to the reality that these uprisings have been neither revolutions or even altogether “popular.” The demands of the people for the wherewithal of life have been manipulated and ultimately controlled by bourgeois forces. They became “popular uprisings” similar to the destabilizing projects against the communist bloc countries in the late 1980s and early 1990s, and the later “color revolutions.” No change was made in either economic or political relations. For example, the Egyptian military, whose corporate ventures account for almost 25% of Egyptian economic activity, remain in control.

No matter what the country or culture, the lessons are the same. The world is being transformed and it is those who are conscious of its possibilities that will win that world. This revolutionary process cannot be

resolved in the interests of the workers of the world without the subjective intervention of the conscious communist element operating within that process.

POLARIZATION OF WEALTH AND POVERTY MAKES CAPITALISM UNTENABLE

That “emerging markets” will save world capitalism is nothing short of fantasy. The majority of the world's people live in these developing countries and “emerging markets.” Half of the world's people – 3 billion – live on \$2.50 a day. At least 80% of humanity lives on less than \$10 a day. There are 2.2 billion children in the world. 1 billion – half – live in poverty.

Almost 60% of the labor force in developing countries works in the informal economy. The International Labor Organization (ILO, an agency of the UN) projects that there has been an increase of 50 million newly unemployed worldwide since 2007, and an increase of up to 200 million new working poor earning less than \$2 a day. China accounts for nearly all the world's reduction in poverty.

The so-called emerging “middle class” in these countries is little more than an impoverished strata existing one fragile rung of the ladder above the mass of destitute. Eager financiers claim that today a wage of between \$2 and \$14 a day, or between or about \$730 to \$4700 a year, puts a person in the “middle class” in these countries. Their hope is that absolute numbers, combined with a constant lowering of the cost of production so that the world is flooded with cheap goods that even the most impoverished can buy, will create a sufficient market. The “middle class” in China is expected to expand to 600 million people by 2020, and it is almost for this reason alone that China is the most sought after prize.

Amidst this mass poverty and destitution has arisen the greatest concentration of wealth ever known. The world's richest 1% own almost half of the world's wealth.

Each round of the development of the economy has been characterized by consolidation, crises, polarization. The concentration of wealth and economic control in the hands of a few at one end and the simultaneous impoverishment of the world's peoples at the other, is destroying the market and setting the basis for further polarization and instability, along with the opportunity and dangers presented by a world revolutionary process.

FOUNDATION FOR WORLD REVOLUTION

The world is entering a new stage of economic interconnection and integration, both within the realm of the production and distribution of goods and the financial system. This is still dominated by the U.S. in tandem with the other “dominant” nations. It is backed up by the continued economic power of the U.S. market, its central role in the world's currency and trade, and its military power.



The historical tendency toward the shift in the center of economic gravity to the East is taking place within the transformation of the entire world economy, society and forms of rule. This transformation is ultimately and finally driven by the introduction of the qualitatively new means of production into world production and the generalization of its effects through globalization, including the desperate headlong plunging of the world into financial disaster.

Upon this crumbling foundation, the bourgeoisie nevertheless still paves the way for the future. In their desperate fight for more markets, more profit, more everything, they are stage by stage – based first on an interconnected economic system facilitated by digital communication – tying the world together, shaping a world culture, and laying the foundation for world revolution. This is being done with the most highly developed level of means of production in human history.

As wealth polarizes, the class of propertyless as a world-historical force of which Marx foretold is coming into being, that “mass of workers who are nothing but workers – labor power on a mass scale cut off from capital or from even a limited satisfaction [of their needs] and which presupposes the world market... [who] thus can exist only world-historically, just as communism, its activity, can only have a 'world-historical' existence.”

The intensifying crisis threatens to tear down the world's peoples before they are fully conscious of what the future truly offers. Their demands can be summed up as the demand for a cooperative society. Such a society must be based on the public ownership of the socially necessary means of production and the distribution of the social product according to need. This is the urgency that confronts the communist today – that every effort, every struggle, every moment, must be used to teach this lesson to the rising proletariat.

Political Report of the LRNA Standing Committee, April 2011

The Leap: New Ideas are Key

Human beings make history in a certain time and place. Today, objectively, revolution has taken place in the base of society as the instruments of laborless production are bringing about a qualitative leap in human history. Robots are displacing human labor and many people find themselves without work, without money, and unable to buy goods to meet their needs. The destruction of capitalism begins in its very foundation and works its way into the superstructure of society itself. Polarization is developing, where the ruling class and the working class are actually antagonistic to one another, but the working class is still tied to the ruling class ideologically. These ideas that tie the working class to the ruling class have to be broken and are being broken. Class consciousness is the linchpin that can break that ideological hold that the ruling class has on society.

The new technology has the potential to create untold abundance. However, while laborless production has increased, the distribution of the things it produces has remained the same. With unemployment high, more and more people can't afford what they need. There were 14 million youth in poverty in this country before the current economic crisis began. Two years later, 2 million more youth have been added. There are 25 million elementary and middle school-age children who come to school hungry each day. Not only has the gap between wealth and poverty increased but also the social contract is being eliminated. Funding for healthcare, education, affordable housing, food stamp programs, WIC, and Medicaid has decreased and, in addition, public entities are being privatized for profit.

We are in an epoch of fundamental qualitative change. The destruction of society de-

mands a solution. The spontaneous response to the objective economic revolution taking place has to enter the political sphere in order to reorganize society in the interests of all humanity. The working class must become conscious of its own interests and learn to fight as a class in its own interest. The role of the revolutionaries who are conscious of the revolutionary process must be to im-

The working class must become conscious of its own interests and learn to fight as a class in its own interest. The role of the revolutionaries who are conscious of the revolutionary process must be to imbue the class with that consciousness so it can develop to the level where it wages the fight to attain the political power to reconstruct society.

bue the class with that consciousness so it can develop to the level where it wages the fight to attain the political power to reconstruct society.

Revolutionaries need to change people's minds. We must enter into the mass struggle with a vision of a society where the abundance of goods now being produced can be distributed to all. We have to introduce new ideas and influence people's actions to become more political. These battles for the needs of our class are producing thousands of revolutionaries but many don't yet see these as class battles. We must fight for our class interest and this is a must in order to give revolutionaries the vision that will ultimately move the process forward and not backwards.

The subjective element is key in these

times, in the sense that only human beings make history. The main antagonism is between the abundance that these productive forces produce and the limitations on the distribution of these commodities. We have to understand what is happening objectively and our role is to influence the movement with new ideas.

What do we choose to do in this period of

the expense of the people's needs.

The doctrine of the leap describes the objectively epochal, qualitative revolutionary process that is unfolding before our very eyes. If we understand what is happening objectively, we know that we can transform society. The subjective aspect of the leap is indispensable to its completion. This is the task of revolutionaries.

The real destruction of society means we have to fight for a new society – we can't go back to the old one. This is not utopian but a very real society that, because of the technological advances, could meet the needs of all the people. We are entering into a period when there is a battle of ideas, and we must impart our message in effective ways to help the masses become aware of their class interests. We must be engaged in this process and point to the next steps of battle to clear the path to navigate the stages of the leap to its completion – a new cooperative society where distribution of the abundance of society is according to the needs of all.

At certain times in history something new is introduced that changes the course of history – that destroys the base of society -- and a period of revolution ensues. We are in such a time of an epochal nature, a time of transition from the old society to a new one. Our time is a time of fundamental change and transition. Our role is to carry this process to completion. This understanding is critical. It describes the real world we are in and has to be a guide in all of our work. We are really in a time of history where we can and we must change the world and only human beings can make that change.

(This Building Block article on the Leap is the second in a series of four. The focus of the next article will be on why the Leap is a time of extreme instability.)

Public Education: What Are We Up Against?

continued from pg 1

through compromise. Now, compromise can yield nothing. For 70 years, the AFL-CIO and the Democratic Party have told the working class that it is possible to negotiate a way out of this crisis, that we simply have to compromise with Capital and everything will work out fine. This keeps the movement on the defensive.

The struggle must pass from the defensive to become a political struggle to take the offensive against a system that is itself the central problem. Fundamentally, *that* is what we are up against! Either corporations will control society or the public will control the corporations.

In the face of a decade of organized attacks to privatize the public schools, parents across the country demand, "We want our schools!" For two years, hundreds of thousands of people have protested to demand

that public education must be free and that corporations should be taxed to make this possible. These are political demands: they must define the direction of the fight. They concretely raise the question of which class has the power to determine the future of society. We must point to the vast wealth being hijacked by corporate capital and direct the movement to demand that their government use it for the benefit of all of society. Everything begins with attempts to protect public schools, but the "art of politics" is to raise political demands in the midst of actual struggles.

The only way any fundamental change is possible is to take the political offensive and mobilize the political force to end the dictatorship of corporations and billionaires.

time? We are really in a time of history when we can and we must change the world. The outcome is not guaranteed. The destruction in the base of society has unleashed the forces of private property to seek a fascist solution to the crisis, making the propaganda war for the minds of the people ever more urgent.

We are in a qualitatively new period of time when revolutionaries can introduce new ideas and a new vision of society.

There are no more reforms under capitalism. The demands of the working class for health care, education, food, and affordable housing are revolutionary due to the fact that we have to change society so we can meet the needs of the people. The government represents the interests of the ruling class. Government is protecting private property at

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