

Brave Newt World: American Reaction

The Republicans' victory in the November 1994 U.S. Congressional elections completed the turn from the bipartisan 1960s rhetoric about a "war on poverty" to the no-holds-barred assault on the poor of the 1990s. Their main political goal is to destroy the idea that the state can or should be used to ameliorate the inequalities of the market. The message is that people should lower their expectations and get ready for a return to the good old capitalism of the 1920s and 30s, when desperate poverty for those out of work, and semi-poverty for those employed, were normal in "good" economic times as well as bad.

The U.S. already has the biggest gap between the "haves" and "have-nots," and the highest rates of poverty, infant mortality, illiteracy and hunger, of any advanced capitalist country. An estimated 100,000 Americans die every year simply because they cannot afford medical care. The past several decades have seen a massive transfer of wealth from the working and middle classes to the propertied elite. In 1972 the wealthiest one percent of American families had 27.7 percent of the nation's total wealth; by 1989 this had increased to 37 percent (*Times Literary Supplement*, 10 June 1994). Since the 1970s real wages have steadily eroded, even in industries with rising productivity and profits. The power of the corporate monopolies has grown steadily, as companies embrace a form of corporate anorexia in their quest for increasing profitability through "downsizing." Millions of people have been impoverished, their hopes for the future destroyed. Those who have kept their jobs are overworked, overstressed and battle-weary. Good jobs, as opposed to minimum-wage "McJobs," are scarce, and many workers are apprehensive about being pushed into the growing ranks of the unemployed.

One of the first targets on Newt Gingrich's hit list was the meager \$167 million annual funding for the National Endowment for the Arts, which the Republicans characterize as "a sandbox for the nation's affluent cultural elite." An article in the 21 February *New York Times* on the NEA casually commented:

"For almost all its life, the endowment's funding was justified by the cold war. Time after time, the specter of a Soviet 'cultural offensive' persuaded Congress to finance the arts, raising the appropriation from an initial \$2.5 million in 1965 to a peak of \$188 million in 1980."

In the post-Soviet "New World Order," Gingrich & Co. see no use for frills like the arts or public television. Nor do they see any reason for making any further pretense of seeking to redress the legacy of historic injustices to women, blacks and other minorities through social policy. Nor for feeding the hungry, nor providing wheelchairs for the disabled.

The Republican "Contract With America" is part of a global offensive by the capitalists aimed at eliminating the "welfare state," or "social market economy" (as it is known in Europe). This is not due simply to the demise of the Soviet Union, although this has given the rulers a much freer hand. In the U.S. this offensive comes as an escalation of twenty years of union busting, speed-ups, give-backs and "down-

sizings" aimed at raising profit margins.

American capitalism is carrying a \$5 trillion federal government debt, in good part a legacy of Ronald Reagan's arms-spending spree of the 1980s. The requirements of debt service reduce funds for private investment in domestic capital markets and weaken the dollar internationally. Since the American ruling class remains committed to continuing the massive program of corporate subsidies and maintaining the world's most formidable military machine, the deficit is to be reduced through drastically slashing social programs.

'Expensively Cheap' Capitalism

The only "social service" slated for expansion is the repressive apparatus. There will be lots more police and prisons to control those whose struggle for survival puts them on the wrong side of the law. America already has four to five times as many of its citizens imprisoned per capita as its West European rivals. Liberal social reformers agonize over the fact that the "savings" gained from slashing social overheads don't come cheap. Edward Luttwak, who laments the passing of the "American Dream," compared the "expensively cheap" capitalism of America with what he sees as the more rational "cheaply expensive" capitalism of Japan:

"When I drive into a petrol station in Japan, four clearly underemployed young men leap into action to wash and wipe the headlights and windows as well as the windscreen, and check tyre pressures as well as the oils, in addition to dispensing the fuel. With government-regulated petrol prices being high and uniform, that is how the local oil companies compete. In exchange for the excellent service, I have to pay a higher price for the petrol than a free market would charge. But when I fill my own tank so much more cheaply from a self-service pump back in the United States, there too four young men await—sometimes even in person but certainly by implication. I do not have to pay their wages through high petrol prices, because they are not employed by the oil company, or by anybody else for that matter. But in reality I still have to pay for the young men, by way of higher insurance rates caused by their vandalism and thefts, by way of my taxes that cover police, court and prison costs, even a little by way of welfare benefits."

—*Times Literary Supplement*, 10 June 1994

A similar sentiment was expressed by Herbert Stein, former chairman of Richard Nixon's Council of Economic Advisers, who decried the "poverty in our public life" and suggested that America's capitalists should seek, "to improve the quality of life of the least advantaged among us and to reduce hostility and fear among the races" (*Wall Street Journal*, 25 October 1994). Such forlorn and melancholy daydreaming is all very well for has-beens and never-weres, but the Republicans' successful electoral assault was predicated on exactly the opposite—trampling the poor and fanning the flames of racial bigotry. And judging from the contributions pouring into Republican coffers, much of

corporate America is enthusiastic about Gingrich's scorch-and-burn, take-no-prisoners approach to social policy.

Democrats vs. the 'Real Thing'

All the talk of economic globalization and the much-vaunted technological revolution, including the "information super-highway," ballyhooed by Clinton, Gore and Gingrich, leaves many workers haunted by the fear of change, and the prospect that they will be left behind. Tens of millions of Americans are concerned that they have lost control over their lives.

Gingrich has seized upon this anxiety, demagogically fanning it, and in a brazen example of calculated irrationality, seeks to blame "the left" for the social decay of America. "The values of the left cripple human beings, weaken cities, make it difficult for us to in fact survive as a country," he told a national Republican gathering in 1989. "The left in America is to blame for most of the current major diseases which have struck in this society" (quoted in *The Nation*, 5 December 1994). Gingrich has even started complaining that the corporate media is riddled with socialists! On 8 March the Associated Press reported that:

"Speaker Newt Gingrich said today that many newspaper editorial boards had 'socialists' on them and suggested that businesses reconsider advertising in papers that oppose their views...."

"Mr. Gingrich...declined to identify by name those he referred to as socialists, but added, 'I'd be glad to get you a collection of editorials that only make sense if people believe that government's good and the free market is bad.'"

In 1992 Bill Clinton won the presidency with promises of cutting middle-class taxes, creating high-tech jobs and "ending welfare as we know it." Two years later Gingrich campaigned on these same themes, but without having to worry about the sensibilities of unionists, blacks and women (historically the core of the Democratic vote); his message was simpler and more direct. The near unanimity of the two parties added to the Republicans' momentum. Many traditionally Democratic voters stayed home and when the votes were tallied, the Republicans ended up with 52 percent.

In early January, as the Republicans celebrated their victory with a lavish party in the midst of impoverished Washington D.C., Bill Clinton huddled with motivational gurus Anthony Robbins (a former janitor who got rich selling self-improvement on late-night television infomercials) and Stephen Covey, one of Gingrich's own pet therapists. They were busy "reinventing government." Clinton's resulting State of the Union address echoed many of the themes of the Republicans—slashing welfare, scaling back government programs (except of course the military) and calling on the poor and underprivileged to take more "personal responsibility" and stop relying on government assistance.

As a rule in politics, the most consistent advocates of a given program are more likely to succeed than those who advocate the same policy inconsistently or half-heartedly. When Stalinists dress themselves up as social democrats, they tend to lose votes to the latter because people who want social democrats prefer the genuine article to an imitation. When social democrats present themselves as champions of the free market, many people decide that they might as well vote for a *bona fide* capitalist party. And when Democrats agree on the necessity of ending "welfare as we know it," beefing up the military and pushing school

prayer, it is hardly surprising that the minority of the electorate that bothers to vote at all, and is not already committed to the Republican right, tends to go with those setting the pace instead of those tagging along behind.

The New Victorians

The irrationality of Gingrich's program has perplexed and bewildered foreign capitalist commentators. Publications ranging from *Le Monde* to *Der Spiegel* to *The Economist* marvel that the American political spectrum now appears to extend from the right to the extreme right. The overtly reactionary character of the "Contract With America" includes a celebration of Victorian morality:

"Referring to Victorian England, Mr. Gingrich said: 'They reduced the number of children born out of wedlock almost by 50 percent. They changed the whole momentum of their society. They didn't do it through a new bureaucracy. They did it by re-establishing values, by moral leadership....'"

—*New York Times*, 14 March

Gingrich proposes to substitute religious sermonizing for social welfare, school prayer for school lunches, chastity for sex and the right to a speedy execution for the right to an abortion. The fact that there are no jobs for millions of people willing to work is something for which Gingrich thinks they should take "personal responsibility."

The Republicans hardly bother with dissimulation when it comes to their racism and class bias. They are eager to punish the "undeserving poor" who, according to the logic of Social Darwinism, deserve their fate, while rewarding the "productive" activities of wealthy speculators. While the Gingrichites direct their fire at homosexuals, feminists and government bureaucrats, the race card is, as always for America's rulers, the most reliable one to play. This is why they have focused on so-called "welfare scroungers"—a thinly veiled reference to the black urban underclass. Yet Gingrich's welfare-bashing attacks are only an extension of a bi-partisan policy that has been operating for the past quarter century. Between 1970 and 1993 the average monthly family benefit check had almost been cut in half: from \$676 to \$373 in constant 1993 dollars (*New York Times*, 23 March). Both of these figures are far below the poverty line.

Virtual Eugenics

Until recently it was considered uncouth and tactless for politicians to express class and racial prejudices openly. For years the Heritage Foundation, a right-wing think tank favored by the Newtonians, has sponsored studies that explain the pervasiveness of poverty in the "land of opportunity" in terms of "behavioral poverty" and "lack of self-discipline."

But today eugenics is coming back into fashion with America's rulers. Eugenicists such as the late Richard J. Herrnstein and Charles Murray (authors of last year's best-selling *The Bell Curve: Intelligence and Class Structure in American Life*) use pseudo-science to attack affirmative action, welfare, remedial education, and other programs intended to benefit the poor on the grounds that money spent on "inferior" social layers is money wasted. While denying any racist intent, the fact is that categories of race and class conveniently intersect among Murray and Herrnstein's "intellectually disadvantaged." The *Bell Curve* is, at bottom, an argument that America's "cognitive elite" enjoy their

wealth and status by natural right and need feel no compunction about the plight of the “less fortunate.”

From the premise that existing social inequality is genetically preordained, America’s modern pseudo-scientists project a future where the elite withdraws into its own isolated enclave of privilege, while a “custodial state” assumes responsibility for containing a growing intellectually and physically impoverished underclass. This vision is merely an extrapolation from the current direction of social differentiation in America (and, to a lesser extent, the other imperialist countries) as the social structure increasingly comes to resemble that of a Third World society: a tiny wealthy elite on top, a layer of relatively secure professionals, entrepreneurs, technocrats and skilled workers beneath them, and, at the bottom, a huge mass of desperately poor people without access to decent jobs, housing, education, medical care or hope.

Racism, ‘Family Values,’ and Orphanages

Republican advocates of “family values” oppose abortion, support state censorship of books and movies, and flatly oppose sex education. They deplore the fact that the U.S. is the only industrialized nation on earth in which the birth rate for teenage girls is going up. Yet, as Planned Parenthood recently pointed out (4 April): “Countries with the most easily accessible contraceptive services for teenagers and the most comprehensive sex education programs have the lowest rates of teen pregnancy, abortion and child-bearing.” Currently in the U.S. annual birth rates for women under 19 are 53 per 1000, compared to only 6 in the Netherlands.

The most bizarre aspect of the Republicans’ contract is the proposal to promote “family values” by taking babies away from welfare mothers and putting them into state orphanages. As Katha Pollitt pointed out in *The Nation* (12 December 1994), apart from the obvious cruelty, this notion hardly makes sense financially:

“The average family on welfare receives about \$500 a month, including benefits. The average orphanage costs about \$100 a day per child. Single mothers on welfare get nothing but abuse these days, but at least they’re cheap.”

Pollitt comments that the proposed “orphanaging of America” is “so obviously cruel, weird, impractical, expensive, legally dubious and socially (especially racially) inflammatory, it’s hard to believe its proponents are serious.” She suggests that what is involved is “symbolic politics”:

“Even if we never see the actual orphanages, we are being taught to think of children who have living parents as ‘orphans’ just because those parents are young, female, unmarried and poor. We are thus also being taught to see those women as having no rights and nothing to contribute—as being, in effect, dead—and to see their children as morally tainted by their mother’s sexual ‘sin’ and therefore lucky to get whatever grudging help is doled out to them.

“Entitlements become handouts. Rights become charity. No one, even a child, deserves anything. That is what orphanages mean.”

The 24 February *New York Times* reported that:

“House Republicans are rushing to repeal the Federal school lunch program, which provides free or low-cost breakfast and lunch to the nation’s poorest youngsters. The program, which dates back to President Truman, has been a rousing success in boosting health and academic achievement.”

These assaults, as Pollitt suggests, must be seen as primarily performing an ideological, rather than an economic, function. Attacks on black welfare recipients help hold the racist vote for the Republicans, while softening up public opinion for future incursions on more important “entitlements.”

The Republicans would like to make deep cuts in Medicare (which pays some of the medical bills of retirees) and Social Security (which provides retirees with a modest pension). These two programs together account for over \$460 billion of the annual federal budget, compared to only \$14 billion for Aid for Families with Dependent Children. They know, however, that to advocate such cuts would mean political suicide. So for the time being they limit themselves to attacking mothers and children on welfare, and playing up notions of “individual responsibility” in an attempt to stigmatize social programs in general.

Virtual Capitalism: High-Tech Social Darwinism

Gingrich describes himself both as a “revolutionary” and as a “conservative futurist.” As a keynote speaker at a January 10th conference in Washington of the right-wing Progress and Freedom Foundation (PFF—a sci-fi New Age think tank, which celebrates the Information Age revolution and advocates, in concert with LaRouchite crackpot “futuristic” reactionaries, an aggressive space program to colonize Mars), Gingrich expounded on his “futuristic” vision in a rambling speech whose formal subject was “From Virtuality to Reality.”

Gingrich’s art is that of a slick snake-oil peddler dressing up age-old reactionary precepts in New Age cyber-jargon. Newt’s speech was riddled with the new code of cyber-reaction in references to “virtual America,” “the Information Age,” the “Third Wave of social development.” In everyday parlance this means downsizing government, replacing the welfare state with an “opportunity society,” privatizing school systems and unfettered free enterprise. But, of course, while enterprises may be free, Gingrich’s “conservative futurism” also includes plenty of high-tech state censorship. As a first step into the future, the Republican-controlled Senate Commerce Committee endorsed a proposal last March to institute a “smut ban” on the Internet and to imprison for up to two years anyone transmitting “obscene, lewd, lascivious, filthy, or indecent” materials.

A PFF conference panel on the “Information Age Economy” denounced government regulation of telecommunications and software giants such as AT&T, Microsoft and Bell as threatening to “stifle the Third Wave.” One information age visionary, software entrepreneur Mitchell Kapor of Lotus Development Corporation, accused the cyber-Newts of “introducing a new rhetoric for social Darwinism.” To which Heather Higgins of the PFF bluntly replied: “‘Capitalism can never have a human face’ and then went on to condemn progressive taxation and social program entitlements” (quoted by David Corn, “CyberNewt,” *The Nation*, 6 February).

Parvenus On the Make

Gingrich and cohorts are open about their plans to reinvigorate American capitalism by using the state as a mechanism for the upward redistribution of income. Gingrich promises to eradicate the burden of social welfare and free the capitalists from the patchwork of 50 years of labor,

safety and environmental regulations. At a March meeting conducted to brief the Senate Judiciary Committee staff on a Republican bill to gut health and environment regulations, lobbyists for power companies explained the details of the new bill (which they had evidently drafted) while its nominal authors sat by. The *New York Times* (31 March) commented that, "seldom in the past have Congressional staff members so openly and publicly embraced legislative outsiders with extensive interests in the outcome." Traditionally the lobbyists (who the Newtonians denounced so furiously during the campaign) sit by ready to offer advice if needed, as the legislators attempt to explain the intricacies of their new bill.

The environment has a substantial bourgeois and petty-bourgeois constituency, and rather than launch a frontal assault, Gingrich & Co. propose to get government "off the back" of landowners and developers by *adding* layers of assessments, referrals, and various other bureaucratic procedures that must be completed prior to imposing any restrictions on the "right" of entrepreneurs to pollute the water and poison the air. Each new step provides an opportunity for appeals, litigation and delays. The Contract includes a provision for doling out billions of tax dollars to compensate landowners who can claim that environmental restrictions reduced their property values.

Among the other "reforms" pushed through the House during the Republicans' first hundred days were measures to protect corporations (and their executives, accountants and lawyers) from lawsuits over defective products or securities fraud. There was a measure designed to make fraud harder to prove. To tilt the playing field further in favor of the rich and powerful, the Republicans propose to introduce a "loser pays" provision to allow judges to force plaintiffs to pay the legal fees of successful defendants in fraud suits. Another bill set a maximum award of \$250,000 (or three times actual financial loss) for punitive damages. Under the Republican Contract, everyone will get as much justice as he or she can afford.

The Republicans are also interested in ideas about "reforming" the calculation of the rate of inflation. Last January Alan Greenspan, chairman of the Federal Reserve, floated the idea of shaving the official rate of inflation by one and a half percent:

"He suggested that a simple fix in the Consumer Price Index could reap big savings. How? Trimming the inflation numbers would mean lower payouts to Social Security beneficiaries, other recipients of Federal benefit programs and retired Government workers.

"Although the Fed chairman did not emphasize the point, lower consumer inflation numbers would also translate into higher tax bills because the annual inflation adjustments to income tax brackets and personal exemptions would be smaller."

"Mr. Greenspan's proposal was greeted enthusiastically by Republicans on Capitol Hill. He appeared to offer a way out of one of their biggest quandaries: how to cut spending on Federal entitlement programs without a specific vote that would clearly tamper with politically sacrosanct Social Security benefits. It would also allow Congress to increase tax revenues at a faster rate without requiring a vote to increase income taxes—a political death wish for Republicans.

"Indeed, House Speaker Newt Gingrich went so far as to threaten to withhold financing from the Bureau of Labor Statistics—responsible for compiling the monthly consumer price report since 1919—unless it changed its ap-

proach."

—*New York Times*, 22 February

So once again fearless Newt strikes a blow for the little guy against the malevolent federal bureaucracy.

Corporate Welfare Bums

The older money and wiser heads among the bourgeoisie have reservations about the competence of the noisy parvenu born-again now crowding round the troughs in Washington. Occasional articles in the serious press remind the corporate decision-makers not to be too categorical about getting the government "off their backs." The front page of the 7 March *New York Times* business section carried a piece discussing the tens of billions of dollars in subsidies given annually to agribusiness, energy, transport, aerospace, construction and other sectors:

"According to the Cato Institute, the Washington-based free-market research organization, the total outlays on such programs will exceed \$86.2 billion this year.

"Moreover, this does not include tax breaks, which the Progressive Policy Institute, an arm of the centrist Democratic Leadership Council, contends are just as large."

The article discusses how the federal government builds roads in national forests for private timber companies and subsidizes electricity for ski resorts in Colorado and casinos in Nevada. It also touches on the \$333 million subsidy to the auto corporations (which are currently raking in record profits) for research and development "to help keep them competitive."

All the talk about "ending welfare as we know it" excludes, by bi-partisan agreement, any discussion of serious cuts in the complex system of corporate welfare. When a Republican freshman from Wisconsin called for privatizing the federally owned Bonneville Power Administration, which provides cheap electricity for the Pacific Northwest, a fellow novice Republican in the House of Representatives, Linda Smith from Washington state, came out in opposition. Smith is adamant about cutting welfare and arts funding, but draws the line at corporate welfare in her district:

"I've always supported privatization," Mrs. Smith said, "but not if it's going to destroy the economy of our region." She said two-thirds of the basic industries and 80 percent of the residents of her district would be affected by the sale."

—*New York Times*, 3 March

The overt handouts and subsidies to corporations are simply the tip of the iceberg. The entire federal budget is devoted to protecting or advancing the interests of the American bourgeoisie. Naturally those with more clout get a bigger share. A prime example is spending on "defense," which consumes the largest portion of the national budget. In addition to providing the U.S. with the means to enforce its "vital interests" in every corner of the world against imperialist rivals, it also provides huge direct subsidies for core industrial sectors.

In the January issue of *Z Magazine*, Noam Chomsky summed up Gingrich's program as, "state protection and public subsidy for the rich, market discipline for the poor." Chomsky noted that the largest employer in Cobb County, Georgia (the rich, white Atlanta suburb that Gingrich represents) is Lockheed Aeronautical Systems, which is developing the new F-22 advanced tactical fighter, as well as other aircraft. Cobb County is among the top three counties in the country in terms of federal subsidies. As Chomsky observed: "It's remarkably easy for conservative en-

trepreneurial values to flourish while one is feeding happily at the public trough.”

Reverse Robin Hoods

One of the highest priorities of the Republicans is the overhaul of the tax system to accelerate the redistribution of income. The Congressional Budget Office, Congress' research arm, released a report in March 1992, which estimated that 74 percent of total gains in personal income between 1977 and 1989 went to the top one percent of the population (cited in Linda McQuaig, *The Wealthy Banker's Wife*). Noam Chomsky quotes a U.S. Census Bureau report to the effect that median income fell 13 percent between 1989 and 1993.

The Gingrichites would like to eliminate the progressive income tax altogether; already some of them are talking about replacing it with a flat tax. Wages are declining, and with the weakening of the unions, many workers have concluded that a tax cut is the most realistic way of raising incomes. The Contract With America tax cuts are advertised as a break for the “middle class,” but most of the benefits will go to the rich. Under the proposed plan, the average reduction for those making between \$30,000 and \$50,000 per year would be \$569, while those with incomes over \$200,000 would save an average of \$11,266 (*New York Times*, 7 April).

Bill Archer, the Republican chair of the House Ways and Means Committee, which is in charge of tax legislation, explained that:

“‘The engine that pulls the train must continue to be fueled.’ What he meant, he explained in an interview later, was that affluent taxpayers must receive tax breaks because they are mainly the ones who invest money and create jobs for others.”

—*New York Times*, 4 April

To aid the super-rich in their selfless struggle to “create jobs” (through property flips, currency speculation, leveraged buy-outs and similar investment strategies) the Republicans propose to lower the capital gains tax, raise tax exemptions for estates, increase investment subsidies and abolish the minimum corporate tax. Archer would like to abolish income and corporate taxes altogether and raise all revenues through sales taxes—the most regressive form of taxation: “Mr. Archer said he was not concerned that his tax plan might benefit rich people, who can afford to spend a smaller percentage of their income than others on the essentials of life.” For the neo-conservatives, inequality is a virtue, poverty a sin.

Republicans and The Lunatic Right

While the Republicans are less inhibited than the Democrats about preaching austerity to the masses, they have the problem of turning the big campaign bucks they receive from corporations and wealthy individuals into votes on election day. And the capitalist class does not comprise a very large voting bloc. Traditionally the Republicans can count on the organized right to get out and vote: they do best when participation is low, as it was last November, when only 39 percent of the electorate actually bothered voting. The “landslide” endorsement of the Contract With America was secured with 52 percent of those voting—or about a fifth of the electorate.

The last presidential election showed the Republicans that, in times of economic decline and rising anxiety, it is hard to generate enthusiasm for the ruling-class agenda

under the leadership of a complacent prep-school/country-club careerist like George Bush. To recoup their losses, they had in some way to engage popular passions, which, among a people little noted for political sophistication, run to religious fanaticism, xenophobia, misogyny, homophobia and racism. What these various antipathies have in common is that they have as their objects everyone and everything except the people who are actually making life increasingly miserable—the capitalist class.

For many years there has existed in America a right-wing lunatic fringe, centered in the middle and far West. Its ideology varies from group to group, but generally consists of a combination of fascist ideology and nativist libertarianism. A component of this right-wing fringe is the armed vigilante groups, composed of America's displaced and disaffected, who seek refuge from a declining urban economy in the hardscrabble, gun-toting self-sufficiency of a mythical nineteenth-century American frontier. They are convinced that the federal government represents a Zionist and/or Communist conspiracy aimed at subordinating the U.S. to the dictates of some larger world government, and on taking away their precious guns and putting white Americans in concentration camps.

While most Americans, even in such right-wing backwaters as Idaho and Montana, probably look upon such groups as insane, their insanity nevertheless represents an extreme manifestation of an ideological vein that runs deep in American consciousness. The frontier was a formative influence in American history, and continues long after its demise to exert a hold on popular imagination and belief. This is one reason why the Republicans' hypocritical attacks on “big government” find resonance in the country at large. It is also part of the reason that greater numbers of Americans are responding to their worsening social and economic conditions by listening more intently to the lunatics of the far right.

While Republican politicians do not participate directly in far-right “civic militias,” they do pander to their periphery. Right-wing talk-show hosts, many of whom make Rush Limbaugh look like a liberal, are an important intermediary between “respectable” Republican politicians and groups like the Michigan Militia and others linked to the criminal and depraved Oklahoma City bombing. Hence, another Republican dilemma is that, once embarked on exploiting popular fears and prejudices, putting the genie back in the bottle can be difficult. In the wake of the Oklahoma bombing, various bourgeois commentators remarked upon the symbiosis between growing rightist hate groups and elected officials of the Gingrich stripe. Bill Clinton, in his homily to the nation, indirectly hinted at this and vowed to increase police activity against “extremists,” both “right and left.” (Naturally, an ultra-rightist bombing becomes a pretext for increased state persecution of the left.) Clinton is sponsoring an Omnibus Counterterrorism Act to criminalize political support to any organization designated “terrorist” by the U.S. (as the African National Congress was for many years). This has been correctly denounced by a variety of liberals and civil libertarians as a dangerous attack on democratic rights.

The Gingrichites denounced Clinton for “playing politics” with a national tragedy (as if the Oklahoma federal building had been struck by lightning). The 23 April *New York Times* reported that:

“Speaker Newt Gingrich of Georgia today angrily denied that the Republican attacks on government and govern-

ment bureaucrats could in any way be tied to the attack. “It is grotesque to suggest that anybody in this country who raises legitimate questions about the size and scope of the Federal Government has any implication in this....”

The Speaker doth protest too much. A month before the bombing, *Time* magazine (20 March) featured an article on the growth of the rightist crackpot wilderness militias, and noted that in many areas they enjoy the protection of local and state government officials in their rejection of federal authority and the burden of federal taxation and regulations. The article concluded by noting that:

“Even as the Westerners fight for local control, they are struggling just as hard to retain the huge federal grazing, farming, irrigation and mining subsidies that the Clinton administration tried to cut. Either way, they are as mad as hell at Washington.”

Socialism or Barbarism?

While it has an unmistakable appeal for the lunatic right, the substance of the Republicans’ Contract With America represents far more than a temporary derangement of the body politic. It is the particularly ugly American version of an offensive by the ruling classes now underway in every advanced capitalist country. It is the product of a social system in decline.

The social-democratic and radical-liberal left in the U.S. are virtually unanimous (if sometimes unenthusiastic) in their response to the Republican offensive; when all is said and done, they can propose nothing better than to urge everyone to vote Democrat. But the Democrats, precisely because they are committed to the same social system as their more aggressive Republican rivals, cannot oppose the logic of that system. They therefore confine themselves to snivelling about “compassion” and “spreading the pain” more evenly. But one thing they will never do is point to the obvious fact that the most basic material interests of most Americans are directly counterposed to those of the country’s rulers. Nor will they attempt to mobilize the majority on the basis of its own interests. The Democrats, in short, are another capitalist party; they are no answer to the Republicans.

But there is an answer. Those who think that the current reactionary wave is simply too powerful to resist should take a look at what happened in France only last year. First, Air France workers struck to beat back a government job-slashing scheme. This in turn inspired the students, who

demonstrated in hundreds of thousands against a government proposal to lower the minimum wage for youth. With the trade unions threatening to enter the fray, the right-wing government of Edouard Balladur was forced to back down. It happened in France, and it can happen in the U.S.

The organized labor movement must be the central component of any successful resistance to capitalist attacks. Despite a steady decline in membership over the past twenty years, the trade unions remain by far the largest and most cohesive force whose interests are directly opposed to those of the ruling class. Concentrated in key industries like auto, mining, steel and transport, they—unlike students or the unemployed—possess the power to bring the country to a halt.

Yet this potentially mighty force is paralyzed by a bureaucracy that believes wholeheartedly in capitalism, is corrupted by material privileges, and is hostile to any attempt to initiate social struggle. Their answer to the assaults of the Gingrichites and the corporations is not to mobilize the union membership to strike back, but rather to bleat a bit and wait for the next chance to vote Democrat. These bureaucrats are, in the words of the pioneer American socialist, Daniel DeLeon, the “labor lieutenants of capitalism.” They must be thrown out and replaced by a leadership ready and willing to bring the workers into struggle. Any serious attempt by the unions to fight back would quickly galvanize support from millions of other victims of the capitalist austerity drive—minorities, immigrants, welfare recipients as well as unemployed and unorganized workers.

A successful campaign to defeat the capitalist attacks requires a new kind of leadership in the unions—one committed to a program of class struggle rather than class collaboration. Such a leadership must be guided by the realization that the current profit-maximizing, budget-cutting mania is pursued in the interests of the tiny capitalist minority that owns and controls all the essential sectors of the economy and that is the principal beneficiary of the prevailing social order. Ultimately the attacks on the working class can only be ended through a revolution that breaks the rule of the privileged elite and abolishes the social order on which it rests. One must choose between the logic of capital—production for profit—and the logic of socialism—production for human need. In the epoch of capitalist decline, there is no middle way. ■