

CHALLENGE



THE REVOLUTIONARY COMMUNIST NEWSPAPER OF PROGRESSIVE LABOR PARTY

volume 50 no. 15

July 25, 2018

suggested donation \$1

Families Belong Together March

SMASH RACIST BORDERS

[The baby] “continued to cry when we got home and would hold on to my leg and would not let me go... When I took off his clothes, he was full of dirt and lice. It seemed like they had not bathed him the 85 days he was away from us. [my son] is not the same since we were reunited. He does not separate from me. He cries when he does not see me ... he cries for fear of being alone.”

—Olivia Caceras (PBS News Hour 7/5).

NEW YORK CITY, June 30—Rage at stories like Olivia’s boiled over today as a crowd of 30,000 flowed across the Brooklyn Bridge. While bosses’ segregated schools enforce racism and preach passivity had closed for summer, a vigorous and integrated group of youngsters, some of them new members of Progressive Labor Party, joined the communist contingent at the Families Belong Together march. PLP infused communist ideas of no borders and rejection of the Republicrats into the march against family separation at the southern border.

Smash deportations

More than 700 demonstrations took place across the U.S. and on the border with Mexico today. PLP participated in Los Angeles, Chicago, Washington, DC, and other places.

In New York City, the crowd was multiracial, and fewer U.S. flags were on display than in immigrants’ rights marches of the recent past.

The intergenerational, multiracial and vigorous character of our chanting pulled many hundreds who marched that day to our bullhorn:

“Stop racist deportation, working people have no nation.”

“The racist system – shut it down. Family separation – shut it down.”

“The only solution is communist revolution.”

Some of our chants targeted former president Barack Obama and the Democratic Party as no solution. We met another marcher, whose young son led a chant of “When I say abolish you say ICE. Abolish – ICE. Abolish ICE.” “Abolish ICE.”

This father then led a “people’s mic” and did a great job asking the crowd to repeat the phrase that “the policy of deportation represents a bipartisan consensus.”

Folks near our bullhorn, but not in PLP joined in on the chant for communist revolution. On another occasion, it was met with a few boos. A PL’er clapped back, “There has been many more opportunities to vote than we’ve had at communist revolution. Voting is the real failure.” The two times communists took state power (in Russia and in China), they eradicated poverty, diseases, the burden of individual child care, and illiteracy, just to name a few.

We met people interested in the idea that liberals are the main danger. This represents a new potential openness to the communist idea in the mass movement.

On the bridge we met a marching band and taught them the tune to Bella Ciao (Italian anti-fascist song during World War II). Soon after our inimitable resident PLP vocalist led us in a rousing performance, capturing our determination to press forward in the struggle. Folks around us were re-energized to add their voices in song. We sang in unison, “I’ve got a feeling that someone’s tryna hold us back and there ain’t gonna be no more stuff like that.”

Reject Democrats, too

The main message of the march was to vote Democratic. Some young volunteers walked around with clipboards, signing marchers up to be a registered voter. PLP and friends reject the Democratic Party’s plan to co-opt working-class anger. Likewise, we do not take heart that a “democratic socialist” Alexandria Ocasio-Cortez has won a Bronx/Queens district seat in Congress.

Yet we dare not drop responsibility of this moment. The profound disgust and anger that workers and youth have for the Donald Trump regime leaves many open to a more profound rejection of the system, of capitalism, than before. Informed people know that Trump inherited an emerging fascist state built up by Obama.

A crucial political lesson the schools teach is



passivity. This year was a bit different, as liberal bosses now want to rebuild (much like the movement behind Obama) a momentum for a more inclusive U.S. imperialism and fascism. A vision to which Trump is an outrage.

Spectre of communism

Things are changing, and this was a school year full of boss-sponsored political ferment, from #Me-Too to walkouts against gun violence and even a cynical push to integrate a tiny fraction of students at ‘elite’ schools. Movements of workers and youth angered by the racism and sexism inherent in capitalism will always be hard for the bosses to control.

Our Party is growing. Karl Marx’s spectre of communism continues to haunt the capitalists. Ten young people and one teacher joined PLP this year and plans for three new youth clubs are in place for the next school year. The task remains to be more involved with both the class struggle and these new members and their families. A communist world is the best world for all of our families.✪



JOIN THE INTERNATIONAL FIGHT FOR COMMUNIST REVOLUTION

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OUR FIGHT

- ★Progressive Labor Party (PLP) fights to destroy capitalism and the dictatorship of the capitalist class. We organize workers, soldiers and youth into a revolutionary movement for communism.
- ★The dictatorship of the working class — communism—can provide a lasting solution to the disaster that is today’s world for billions of people. This cannot be done through electoral politics, but requires a revolutionary movement and a mass Red Army led by PLP.
- ★Worldwide capitalism, in its relentless drive for profit, inevitably leads to war, fascism, poverty, disease, starvation and environmental destruction. The capitalist class, through its state power — governments, armies, police, schools and culture — maintains a dictatorship over the world’s workers. The capitalist dictatorship supports, and is supported by, the anti-working-class ideologies of racism, sexism, nationalism, individualism and religion.
- ★While the bosses and their mouthpieces claim “communism is dead,” capitalism is the real failure for billions worldwide. Capitalism returned to Russia and China because socialism retained many aspects of the profit system, like wages and privileges. Russia and China did not establish communism.
- ★Communism means working collectively to build a worker-run society. We will abolish work for wages, money and profits. While capitalism needs unemployment, communism needs everyone to contribute and share in society’s benefits and burdens.
- ★Communism means abolishing racism and the concept of “race.” Capitalism uses racism to super-exploit Black, Latin, Asian and indigenous workers, and to divide the entire working class.
- ★Communism means abolishing the special oppression of women— sexism—and divisive gender roles created by the class society.
- ★Communism means abolishing nations and nationalism. One international working class, one world, one Party.
- ★Communism means that the minds of millions of workers must become free from religion’s false promises, unscientific thinking and poisonous ideology. Communism will triumph when the masses of workers can use the science of dialectical materialism to understand, analyze and change the world to meet their needs and aspirations.
- ★Communism means the Party leads every aspect of society. For this to work, millions of workers — eventually everyone — must become communist organizers. Join Us!

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WHO WRITES FOR CHALLENGE?

CHALLENGE is for the working class, produced by the working class. The fact that CHALLENGE/PLP articles are not signed grows from PLP’s criticism of the cult of the individual in the former socialist Soviet Union and China. We do not want to encourage the possibility of building up a “following” around any particular individual.

While an article may be written by one person, the final version is based on collective discussion and criticism. Many times this collective discussion even precedes an individual’s writing of an article.

CHALLENGE/DESAFIO (ISSN 0009-1049) published bi-weekly by Challenge Periodicals. 1 issue \$1. One Year: \$20. Six months: \$15. Send address changes to CHALLENGE Periodicals, GPO Box 8o8 Brooklyn, NY 112o2, July 25, 2018. Volume 50, No. 15

Editorial

Mexico: AMLO will build fascism and hedge on U.S. imperialism

Mexico’s President-Elect Andres Manuel Lopez Obrador (a.k.a. “AMLO”) represents a significant step toward fascism. His July 1 landslide victory was forged by a capitalist coalition seeking to impose greater discipline on a famously corrupt ruling class. His fake-leftist campaign misled millions into an electoral process that justifies massive inequality and daily attacks on workers and students.

Lopez Obrador’s reforms will sacrifice workers in the name of deadly all-class unity. Since his election he has championed a national “reconciliation”: “I call on all Mexicans...to put above their personal interests, however legitimate, the greater interest, the general interest. The state...will represent all Mexicans, rich and poor....” (New York Times, 7/1). Populist rhetoric aside, nationalism always serves the needs of the bosses’ state. Only communism can serve the needs of the working class.

Industry and inequality

Today’s political crisis in Mexico has been building for decades. From 1929 to 2000, the Mexican bosses controlled the country through a decaying single-party system, the cynically named Institutional Revolutionary Party, or PRI. The brazen theft and infighting by PRI politicians culminated in the deeply unpopular regime of President Enrique Pena Nieto: “[V]iolence has surged, the economy has stagnated, and corruption has dominated the headlines” (North American Congress on Latin America, 7/4). While half the Mexican population lives in poverty, Mexico has 30 billionaires (Forbes, 4/17/17) and at least 145,000 millionaires (WealthInsight, 2015).

The collapse of the PRI and the rise of Lopez Obrador and his populist MORENA party reflect a split between the biggest thieves—the industrial bosses who rely on Mexico’s export trade versus small-time capitalists who steal and skim local resources. When Mexico’s economy was mainly agrarian, the big capitalists were content to plunder from the nation’s oil reserves and the early telecommunications industry. But over the last 20 years, under the North American Free Trade Agreement (NAFTA), Mexico has developed a huge manufacturing economy. They did this on the backs of the industrial working class, a source of cheap labor and high profits:

With a daily minimum wage of only \$4, Mexican labor has a significant cost advantage over the US and Canada. Mexico has become the world’s largest exporter of flat-screen televisions; it’s also home to the world’s seventh-largest automotive industry, and it has a \$6 billion aviation sector (JPMorgan Chase, 10/10/2016).

As they seek to build a national highway system and other critical infrastructure for their factories, the big rulers can no longer tolerate local police, politicians, and drug bosses siphoning off billions of pesos. At the same time, they need to enlist the patriotic loyalty of a working class that regularly takes to the streets “to protest impunity and economic mismanagement” (NACLA, 7/4). For all his attacks on “the mafia of power,” Lopez Obrador persuaded the big bosses that he is ready to serve them. He has promised to contain the national debt, maintain close relations with U.S. finance capitalists, and promote “a border economic zone that would encourage more foreign investment” (Washington Post 6/29).

False promises and fascism

As a firebrand mayor of Mexico City from 2000 to 2005, Lopez Obrador gained a reputation for progressive reform. But he also hired Rudolph Guiliani, the arch-racist ex-New York City mayor and now a shill for U.S. President Donald Trump. He partnered with Carlos Slim, the richest person in Mexico, to gentrify center-city neighborhoods recovering from the 1985 earthquake, pushing out workers to usher in the wealthy (Brookings Institute, 7/3). Now he is promising universal pensions, a national scholarship fund, and a revived healthcare system, with no plan to fund them aside from a vague promise to end corruption. But a number of AMLO’s “high-profile political allies have in the past been linked to corruption and elec-

‘Lopez Obrador’s populist appeal lays the basis for a mass fascist movement.’

toral fraud” (LAT, 7/10).

“Today AMLO is a much more moderate, centrist politician who will govern the business community with the right hand, and the social sectors and programs with the left,” said Antonio Sola, who created the effective fear campaign that branded Mr. López Obrador as a danger to Mexico in the 2006 election he lost” (NYT, 7/1). Notably, AMLO has backed down from earlier opposition to a 2013 reform to open up Mexico’s national oil company, PEMEX, to private and foreign investment (Washington Post, 7/2).

In short, Lopez Obrador’s populist appeal lays the basis for a mass fascist movement. MORENA offers the biggest capitalists a potentially powerful force to attack smaller bosses and any workers who fail to fall in line with the rulers’ program.

AMLO and inter-imperialist rivalry

As the U.S. declines relative to China, its main rival imperialist superpower, Lopez Obrador is hedging his bets. He is expected to roll back exports of crude petroleum for refining in the U.S. and to build PEMEX’s processing capacity. According to Rocio Nahle, AMLO’s top energy adviser, Mexico needs “to consume our own fuels and not depend on foreign gasoline”—a clear threat to U.S. oil profits, for which Mexico is the leading foreign market (Reuters, 2/22).B

Both Lopez Obrador and Trump could be loath to destroy NAFTA, a source of super-profits to bosses on both sides of the border. Still, any weakening of Mexico-U.S. trade relations could open the door to further Chinese economic inroads in North America, a huge problem for the main section of the U.S. ruling class. In October 2016, China promised to “elevate military ties to [a] new high and described the possibility of joint operations, training, and logistical support” for Mexico. Since then, Mexico has sold China access to large deep-water oil fields off the coast. Meanwhile Carlos Slim partnered with a Chinese car company to make SUVs in Mexico (The Atlantic, May 2017).

López Obrador and other MORENA leaders “have been vocal about expanding their trade partnerships with countries like China” (Politico, 1/7). After Lopez Obrador’s election, China congratulated the victor and pledged “to work with Mexico to build up mutual trust, deepen cooperation, bring benefits to both peoples and contribute positive energy to the international community” (Xinhua, 7/2). With Mexico’s oil reserves potentially up for the highest bidder, the bosses’ economic competition will inevitably lead to armed confrontation and global war. This fight will likely center upon control of oil and gas, the raw materials essential to the capitalists’ militaries and industries.

Workers can win

Whenever the bosses fight over profits and resources, the working class gets caught in the crossfire. But we can take inspiration to fight back against this deadly system from the workers of Valle de Chalco, Mexico. In early 2017, when gas and electricity prices skyrocketed, they organized occupations, marches, and road blockades. They broke the bosses’ rules to make their own connections to the electrical grid and guarantee power for the masses.

These workers gave us a glimpse of how the working class can organize and run the world for its own needs. When workers around the world organize across borders, smashing the bosses’ nationalism, we can win the communist world we need. Join Progressive Labor Party.☛

Beat back the KKK—Antiracists win the day!

ANAHEIM, CA, July 9—The Anaheim 3, who stood up to Ku Klux Klan in February 2016, won the day in court this morning! The injustice system was forced to back down.

Multiracial organizing forced the bosses' hand

For the fourth time in this battle, anti-racists rallied outside the courthouse. This morning's picket line was 30 strong. We led militant chants and distributed CHALLENGEs and leaflets. "Wherever racist scum spew their hate, the PLP and other anti-racist fighters will be there to smash them." Passersby honked their horns, stopped to take pictures, and offered support.

After the picket line, we packed the courtroom. Our upbeat and unapologetic multiracial unity was a stark contrast to the somber atmosphere in the room. When it was announced that two of the defendants were having their charges dismissed, we exploded in applause and cheers. The last defendant pled no contest to the two misdemeanor charges of battery and resisting arrest. The no contest plea can be expunged after a year.

This victory is not without complications. We know that the capitalist criminal injustice system is racist; the defendant whose charges were not dismissed is a Black man. True "justice" can only be found through communist revolution. Under communism, racism and all other anti-worker ideology and policy will be illegal. Nonetheless, this is a victory for workers and anti-racist fighters. After being attacked, we were able to organize and fight back.

The ripple effect of fightback

As we left the courthouse, other defendants in the courtroom for unrelated cases congratulated us and said, "Keep up the fight back." This is significant because it shows the power of multiracial organizing. Workers will always rally in defense of antiracist communists and fighters against the KKK, the racist cops and courts who protect them, and this racist, capitalist system which creates all of this.

Out in the hallway of the courthouse our base raised funds to help cover the court fees for the day. While a PL'er began to deliver a "thank you" speech to one of the lawyers who worked hard to defend the Anaheim 3, he turned it into a "thank



Multiracial protest in front of the courthouse

you" speech to the crowd. He heralded the brave antiracists who came from afar to ensure that the Klan was not allowed to spread their racist filth. The lawyer said he was proud to represent these courageous fighters. He and many others will celebrate with us at our upcoming victory party.

Lessons from a two-year battle

Organizing in the churches, schools and on our jobs is what made this two-and-half year battle possible. On the road to communism, fighting these charges was a tiny pothole, but we learned valuable lessons to prepare us for future struggles.

- We must continue to build long-term, deep ties in mass organizations. Without a decade worth of work in our mass organizations, this fight back effort would have been very difficult. These ties helped us with fundraising, widespread circulation of a petition, hosting speaking events about the case to a large base of people, and keeping significant numbers at the court appearances we had to make over the last few years.
- When we fight, we can win. Other people were arrested and charged that day in Anaheim. Although, we encouraged them to fight the case with us, they chose to plead guilty. They were coerced into accepting

multiple charges, exorbitant fines, and lengthy probations. We battled both inside and outside the courtroom and showed why it is so important to fight back.

Working class wants to join

The working class wants to join us on this road to freedom. Today a young Black worker appeared seemingly out of nowhere. She had heard about the court date when the Anaheim 3 spoke at a Unitarian church nearby and felt compelled to show her support. After watching us rally in the morning and reading our literature, she joined the PL crowd for the rest of the afternoon. The worker was interested in attending upcoming antiracist activities. In the future, when we continue to organize, we are sure to meet many more workers like her.

Our class understands that we live in a racist world. We see, live and breath this every day. What the Progressive Labor Party and communism offer are the tools to end racism once and for all. With a class analysis, we can see how capitalism requires racism for its survival and therefore racism can only be eliminated with the destruction of this rotten system. We will continue to battle the gutter racists whenever they appear, but we will win the war when masses of workers understand communism is the only solution. Join us.☺

With communist influence, DC metro workers disrupt transit & reveal union's limits

WASHINGTON, DC, JULY 4—Today the DC-area transit workers held an "unauthorized" work action to protest management's racist mistreatment. Hundreds observed a "1:59" action, which means they came to work one hour and 59 minutes late, causing widespread disruption of public transit on the July 4 holiday. Actions like these reveal how power comes from labor. It also reveals the limits of union leadership. Under communist influence and mass organizing, more transit workers can gain confidence to shut this system down.

We need to do more

In addition to the racist background checks, the transit bosses have increased their harassment on the job, including random screenings of workers. We've had some rallies and pickets protesting this harassment. But we need to do more. The bosses are demanding more givebacks in the contract negotiations. We need to organize strike committees at every job location. We need to collectively develop our demands. We need to organize for a strike.

Prior to the action, Progressive Labor Party (PLP) members of the union (Local 689) discussed this proposed protest with other workers. We found that there was a lot of enthusiasm for finally taking an action against management.

Workers who participated in the action will be charged with a "miss" but not a "failure," a much more serious violation of company policy. The union president suggested that there may be additional work actions in coming weeks. We can't rely on that. Let's organize at every barn, at every work location. Let's fight against every case of harassment. Let's get ready to strike by fighting back now.

Debating politics of the work action

There was some legitimate skepticism about the likely effectiveness of the action, since there was no advance planning and no specific demands.

How could you measure gaining "respect" from management? Since more workers with less seniority work on holidays, was there unfair pressure on them to bear the likely reprisals from management?

Most importantly, how will we fight back, should Metro take action against the workers who participated?

Workers can't rely on union leaders

At the union meeting immediately before the

action, a militant member declared that it was good to take work actions that disrupt transit service since that is where our power comes from. But it was also vital to organize to get strike ready and collectively develop specific demands against management.

The union president Jackie L. Jeter is clearly feeling the pressure from a restive membership, gave a flimsy excuse about the absence of demands, indicated that a strike might not be necessary, but that each member should have \$20,000 in the bank if there was a strike.

Her rhetoric and bluster was an attempt to hide the fact that she has always dragged her feet in challenging management. And her \$20,000 comment showed that she had no idea of how a well-organized strike would proceed and was simply trying to scare people away from becoming strike ready.

The PLP influence in Local 689 continues to grow. We will continue to struggle for ever-sharper class struggle as we also strive to bring additional transit workers into the revolutionary struggle for communism. Workers would be in full power and there would be no such thing as exploitative bosses to deny us respect.☺

Baltimore: West Wednesday Rally denounces racist ‘predictive policing’



BALTIMORE, June 25—A recent West Wednesday rally—an anti-racist rally against the 2013 murder of Tyrone West that’s become a fixture in Baltimore over five years—may have been modest in size, but it was bold in action.

It began when a cop in an unmarked car stationed himself directly across the street from the rally.

Perhaps the Baltimore Police Department was trying to see if intimidation would scare people and minimize participation at this weekly action. Since 2013, we have been demanding the prosecution and incarceration of the cops who killed unarmed Tyrone West, while in police custody.

Or perhaps the intimidation was coincidental, and just part of BPD’s new strategy, which they call “predictive policing.”

Either way, participants at West Wednesday got right up—and stayed up—in one cop’s face, videotaping and practically surrounding him. Simultaneously, across the street, the rally continued, virtually without interruption, while the sister of Tyrone West incorporated into her powerful speech an astute, angry, loud, and unabashed denunciation of the new BPD police policy.

The “predictive policing” farce

Two years ago, following the police murder of Freddie Gray, the federal Department of ‘Injustice’ (DOJ) issued a report about Baltimore. It admitted BPD strategies routinely cause severe disparities in the rate of stops, searches, and arrests of Black workers. Additionally, the DOJ admitted that this pattern of police department conduct is carried out with excessive force—racist terror and murder.

Now they’ve given this enforcement of capitalist inequality a new name, “predictive policing,” trying to put a pretty face on an ugly reality. Even if you change a pig’s name, it still stinks.

“Predictive policing” claims to use crime data and high tech algorithms - supposedly without racial or class bias - to scientifically pinpoint areas of the city where street violence is likely to occur in the immediate future. Then the BPD aggressively targets those neighborhoods with cops. However, as Andrew Ferguson warns in *The Rise of Big Data Policing*, published eight months ago, “. . . The history of unjust policing practices will be justified by technical spin.”

As one might expect, “predictive policing” doesn’t send the cops to Roland Park—or similar neighborhoods—where the median household income is \$104,482.

Their predictive model is just another version of racial profiling. It’s used to disproportionately send cops to neighborhoods like Sandtown-Winchester, Freddie Gray’s neighborhood, and to nearby Harlem Park. The median household income for the two neighborhoods is \$24,374.

More than two-thirds of Black residents in Baltimore don’t have enough savings to survive for even three months, in case of job loss.

The primary role of police today—just like the very first U.S. police force, whose assignment was

to catch escaped slaves - is to try terrorizing the most oppressed members of our class: Black workers. The ruling class of capitalists hopes, in this way, to keep themselves in power.

Capitalist terror shows their fear

Just as Nat Turner’s revolt made the slave owners deeply fearful, today’s ruling capitalists are afraid of working class strikes, uprisings, and revolution. That’s why Baltimore’s government—acting on behalf of the Greater Baltimore Committee, the main organization of capitalists in this area—gives the police department twice as much funding as they give to the City’s entire public education system.

Waverly, the neighborhood where West Wednesday is held most often - just like Sandtown Winchester, and much of Baltimore - has a predominately Black population. So, perhaps, “predictive policing,” not purposeful harassment of the West Wednesday rally, was the reason for a new cop presence at Greenmount Avenue and 33rd Street.

Prediction: fascism and imperialism under capitalism

No matter what the cops were trying to accomplish—they did not succeed.

We will continue rallying and exposing the reality that the police and the government are key parts of state power. State power means organized violence for the suppression of a class, unrestricted by any law. Though racial profiling is “illegal,” cops—during Obama’s presidency and now under Trump—continue to kill about 1,100 people a year, more than three each day on average, because it serves the fundamental needs of the capitalist class.

The only solution to capitalist state violence is to join the multiracial Progressive Labor Party. When our Party earns the respect of millions and millions of working class people, we will defeat capitalism with revolution. With state power we can build a wonderful communist society of sisterhood and brotherhood.

We will fight hard to fully eradicate racism, sexism, anti-gay violence, unemployment, and imperialist war. That’s a world worth fighting for. One day, the savagery of racist police terror, with Black and immigrant workers five times more likely to be victimized, will be so far in the past, it will be hard to imagine how humanity could have lived like that. Join us, and bring that day closer.✪

Capitalism fails Haiti; Workers rebel



PORT-AU-PRINCE, HAITI, July 9—Thousands exploded in mass working-class violence to protest the government’s fuel price hikes.

Prices for basic products, especially gasoline (38 percent) and diesel fuel (47 percent) (Reuters, 7/8). Commercial activity everywhere was impacted: tires burned in the streets, protesters downed the main antenna of Digicel (largest cell phone operator in Haiti), and singled out international hotels that were built since the 2010 earthquake instead of housing for those made homeless; major air carriers cancelled flights. The police, called out in force, were blocked from carrying out their brutal suppression of the popular will.

Thus was the hatred of the working class for our exploiters and oppressors expressed, but spontaneous expressions of hatred are not enough to solve our problems. Nothing short of the abolition of a system founded on profit for the small class of capitalists will prevent continuous and worsening attacks on our class. Only a system that is run by workers through our class’s international Party, PLP, can serve our needs and end this exploitation and oppression.

For weeks the IMF (International Monetary Fund) had demanded a halt to government subsidies for gasoline and diesel, thus increasing the portion of the prices on life necessities that workers are forced to pay. It diverted the revenue for running the oppressive government and paying debts to the IMF. Social networks were buzzing, so that when President Jovenel Moïse announced

the price increases at 4pm last Friday everyone was prepared to fight back. They took to the streets, called the president a tool of the local and international capitalists and demanded that he step down.

Members and friends of PLP participated in and supported the rebellions, pointing out the need to destroy capitalism altogether and build communism everywhere in the world. There is mass despair, especially among the young, who have no hope of employment. This movement has avoided the usual mis-leadership of the traditional politicians. There is a level of understanding among the masses that we have to fight together for our class interests, and against the “me-ism” that the rulers encourage. But this is no substitute for building a mass communist party to foster and lead these periodic struggles as battles in the war to defeat and remove the capitalist-class enemy altogether, rather than to seek relief from each manifestation of our oppression as it arises. Millions need to join PLP to reach that goal.

President Jovenel Moïse was forced to rescind the price hikes for the moment. However, like all victories short of smashing the system, this will be only temporary. Furthermore, we cannot rely on the spontaneity of working-class hatred of our exploitation and oppression in the battles to come. We have to build our Party, the PLP, among the masses of workers and youth. Through class struggle and ideological struggle, win them to the need for communist revolution to end this system of misery once and for all.✪

Newark: Teachers fight for clean water, expose toxic pols

NEWARK, NJ, June 30—Members of Progressive Labor Party in Newark are participating in a vitally important anti-racist struggle for safe drinking water. High levels of lead contaminate the city's water. This is particularly toxic for children. Water contamination is a dangerous and frightening crisis of racist neglect that besets cities like Flint, Cleveland and Newark, where the majority of the residents are Black and Latin. It is a stunning example of how capitalism couldn't care less about the health and safety of working people, and how workers, regardless of skin color, are hurt by racism.

Newark Education Workers (NEW) Caucus, a social justice caucus inside of the Newark Teachers Union, has joined the Natural Resource Defense Council (NRDC) in a lawsuit to force the city and state to ensure safe drinking water. It's encouraging that a multi-racial group of workers in the city have joined the teachers in planning neighborhood meetings to organize a campaign to demand clean water.

Once the lawsuit was announced, the fake-radical mayor of Newark, Ras Baraka, repeated the lie that the water is safe despite the city's own sampling: "In 2017, 10 percent of water samples collected by the city showed lead levels above 26 parts per billion, nearly twice the federal action level of 15 parts per billion (NRDC, May 2018)." One home had as high as 182 parts per billion (NJ Drinking Water Watch 5/16/18).

Baraka has been peddling his lie of clean water for two years. In 2016, Newark Public Schools had to turn the water off in thirty buildings because of high lead levels. While students were drinking boxed water, Baraka and other city officials told residents that the water in the homes was fine even though the home water travels through the same pipes as the school water.

According to the law, the city was supposed to replace seven percent of the lead pipes by June 30th. Yet they have not even broken ground. This blatant disregard for Black and Latin workers' health exposes the true nature of these fake Democratic Party misleaders. While Baraka talks a good game about equality, he has proven that his loyalty ultimately lies with Newark's corporations.

Having allowed the water pipes in Newark to crumble for decades, it will now cost billions to repair. During a forum about the water crisis, a worker in the audience stood up and said we are shooting ourselves in the foot because the city will raise taxes on the working class to pay for the repairs. And indeed, there have been proposals to raise workers' taxes. However, NEW Caucus has demanded that the real estate developers and corporations that are making millions in the city should be the ones responsible for funding the repairs.

Baraka, however, continues to support tax breaks for major corporations. The city and state are offering Amazon over seven billion dollars in tax breaks, allowing this multi-billion dollar business to maximize profits while workers suffer with poor infrastructure. Other corporations, such as Mars Wrigley, are also moving their headquarters to Newark with the promise of a tax break. In all, the state has given over eight billions dollars in tax breaks since 2010 (Patch.com, 10/12/17) while not doing a damn thing about the lead in the water.

Communism, the antidote

The lawsuit brought against the city and state opened up the eyes of many workers in the city. However, history has shown that relying on the courts doesn't work. Lawsuits must be accompanied by workers organizing and taking to the streets to win improvements. Recent events reveal who the courts truly serve. From the recent Janus decision to the racist Muslim travel ban, the courts are here to serve the wealthy. Even liberal victories, like Brown v Board of Education, which supposedly outlawed segregation in schools, are ignored or systematically weakened. In this case, it's clear that the city and state are in violation of the Clean Water Act. However, without workers organizing, demonstrating, and disrupting the everyday operations of capitalism, the ruling class can drag this suit out for years while Black, Latin and white workers continue to be poisoned.

The Progressive Labor Party is taking part in the struggle for clean drinking water, while exposing Democratic Party misleaders like Baraka. Most importantly, we're inviting Newark workers to join us in organizing for a communist world where workers' health and well being will be the top priority.☺

Supreme Court is no friend of workers

The recent retirement of U.S. Supreme Court Justice Anthony Kennedy and the fact that racist, fascist President Donald Trump will appoint the new Justice, have caused an enormous outcry from liberals and the media about the disaster to come. This is a dangerous illusion. All levels of government, including the Supreme Court, constitute the capitalist class's means of controlling and oppressing the working class. The government also settles disputes between competing capitalists. But it is all the bosses' government.

Class struggle, organized and led by the working class and its communist party, can and will change society, seizing power with a working class revolution. Only then will the government serve the working class.

Distraction from working class struggle

Looking to courts to solve our problems is based on the same illusion as voting. The famous decision, Brown v. Board of Education of Topeka, Kansas (1954), which declared segregation in schools unconstitutional, is a famous example. Black workers showed enormous courage in signing up as complainants in the case. Yet, it was the policy of the NAACP Legal Defense Fund not to organize any mass campaign around this case. Workers were told to leave the fighting to the lawyers. The case was supposedly won, yet schools around the country are as segregated as ever.

Meanwhile, in 1953 the first bus boycott was organized in Baton Rouge, Louisiana. Workers were beginning to organize the mass campaign that became the Montgomery Bus Boycott of 1955-1956. In 1952, there was a boycott of gas stations in Mississippi that refused to provide restrooms for Black drivers. Mass working class organizing in this period and on into the even more militant fights of the 1960s defeated segregation, not a Supreme Court case.

Decisions are in the interest of some section of the ruling class

The main liberal wing of the ruling class had a strong political interest in ending legal segregation in the South. During the Brown case, the Justice Department wrote a supporting brief that argued that segregation had, "an adverse affect upon our relations with other countries. Racial discrimination furnishes grist for the communist propaganda mills, and it raises doubts even among friendly nations..." The same brief quoted the Secretary of State, Dean Acheson, pointing out that school segregation "jeopardizes the effective maintenance of our moral leadership of the free and democratic nations of the world." (SCOTUSblog, The Global Impact of Brown v. Board of Education) The big business imperialists needed to defeat communism to maintain the world empire. So they used the Supreme Court, and the FBI, and even the army to crush the Southern, vulgar racists who were making U. S. imperialism look bad all around the world.

Decisions are based on bad ideas

Even when there is every appearance of a victory in a Supreme Court case, the essence is the promotion of bad ideas for the working class. In Brown, the court decision is based on the idea that segregation damages all black children and therefore can never be equal education. However, as anti-racists we understand that segregation hurts all children and all workers. The Progressive Labor Party fights for multiracial unity, which means living, working and learning in multiracial communities. The dangerous distortion of the Brown decision perpetuates racism. It even causes workers today to fight each other over how to desegregate schools (see CHALLENGE, 6/29).

Don't be confused by the appearance of the Supreme Court. Keep our eye on the prize—communist revolution for workers power.☺

Capitalism sinks by the Bay

Continued from page 8

6 percent today (Seattle Times, 5/11/15). Oakland is now following a similar trajectory. With 94 percent of new development now reserved for market-rate or luxury properties, Oakland has lost more than 30 percent of its Black population since 2000. Immigrant families are also leaving in droves, with landlords using the threat of ICE to evict them or raise their rents.

The working class fights back

Bay Area homeowners and renters are uniting in an anti-displacement chapter of the Alliance of Californians for Community Empowerment (ACCE). Most of the organization's struggles focus on keeping workers in existing housing and blocking the displacement-and-eviction-to-homelessness pipeline.

To stop evictions, ACCE members organize with direct action and phone blasts against individual landlords and big Wall Street investors. Recently, more than 30 members took over the Blackstone/Invitation Homes office (see box) in Sacramento and succeeded in getting a rent increase reduced from \$250 to \$60. One family avoided foreclosure, while three others remain in their homes at reasonable rents.

ACCE is building a mass movement to restore and expand rent control. It's also organizing a campaign to push landlords to sell distressed properties to a collection of "socially conscious investors" or land trusts to enable affordable rentals or mortgages, with families owning their homes but not

the land.

Reform and Revolution

"Housing is a human right." "Housing for people, not for profit." These are common chants when ACCE members and friends turn out to confront landlords, the politicians who protect them, or real estate bosses like Blackstone\Invitation Homes. The chants follow the communist principle that all workers deserve decent housing. These actions are limited, however, because they focus on the needs of individual tenants, not on system change or the destruction of capitalism. Battles around evictions and rent control don't solve an essential capitalist contradiction: Shrinking workers' wages can no longer purchase what the working class produces, the basis of capitalist profit.

Getting involved in these struggles has given Progressive Labor Party members the opportunity to raise our communist politics about the limits of capitalism. Some ACCE members joined us on May Day, while others came to a demonstration against the separation of immigrant children from their parents at the Richmond Detention Center.

While celebrating our reform victories, members of PLP point out that the many battles over the years have yet to guarantee housing as a working-class right. To accomplish that, we must destroy capitalism and replace it with communism: no money, no buying or selling of commodities like housing. Instead of running the economy for profit for a few, we will organize and distribute collective production based upon the needs of the entire working class.☺

LETTERS

We encourage all CHALLENGE readers to send in letters and articles about their experiences fighting the bosses worldwide.



Ecuador: home workers in struggle for a union

In Ecuador there is an organization of women workers that has been trying for over a year to gain legal status as a union. Even though we have done everything required and given in all the paper work, we have been denied our right to unionize.

In the Unión Nacional de Trabajadoras del Hogar y Afines (UNTHA) there are mostly women, but also men who work in homes, taking care of children or older adults. The union recognizes the value of the labor of these workers and demands that people be given the rights other workers have, in the public and/or private sphere. Every time a professional leaves the home to go to work, their family and home are taken care of by a homemaker. She will take care of the home, just as any other professional does their work outside the home.

The right to unionize is much more than just asking the government's "permission". To fight with dignity for the needs of workers requires an organization recognized by the government to be able to demand their labor rights, won through the long history or working class struggle.

On March 2017, after a tough political dialogue with some representatives of the State, and through taking over the offices of the Ministerio de Relaciones Laborales (MRL) in Guayaquil, UNTHA was given the recognition it so greatly deserves. We finally are recognized as a Sindicato (Union).

Today we feel strong and powerful, because becoming a union is only the first step in this struggle. We want to make our own struggle visible. At the same time we need funds to begin the process of education on labor rights and occupational health for the workers in our union throughout Ecuador.

★★★★★

Families Together protest: workers interested in abolishing capitalism

PLP and friends in Washington, DC participated in the "Families Belong Together" protest here on a blisteringly hot day on June 30. Many thousands were enraged by the unspeakably racist and fascist immigration policies of the Donald Trump administration. We distributed a flyer based on the editorial in CHALLENGE (7/11), engaged protesters in conversations about the need for revolution to defeat capitalism, and invited them to join our PLP study-action groups.

A PL'er spoke to two young Latin women who agreed that capitalism was the problem and were interested in learning more about communism as an alternative. An Asian woman she spoke to was particularly interested in the abolition of the wage system. She encouraged us to continue to be pro-active and not give in to cynicism.

A bilingual veteran PLP member who had been inactive for 15 years came to help distribute flyers. She felt that it was time to re-engage. Another PL'er ran into an old friend, who shared her involvement with an ecumenical Sanctuary group that includes 70 faith-based organizations committed to protecting immi-

Commemorating 25-year fight for Archie, killed by kkkops



A rally for justice for Archie outside of the Prince George's Courthouse in the 90s.

PRINCE GEORGE'S COUNTY, MD, June 23—Antiracists, including members of Progressive Labor Party, paid tribute to the struggle for justice for Archie Elliott III, murdered by the police here 25 years ago. Archie's mother Dorothy Copp Elliott, who has been waging the decades-long struggle, raised the importance of multiracial unity. The night showed why all workers should unite to end police terror. An injury to one is an injury to all.

Twenty-five people participated in this fundraiser for a scholarship in Archie's memory. Two people received \$2,500 each. The scholarship is for Black students who plan to attend an HBCU (Historically Black College or University). The committee needs more funds to keep Archie's name alive. The fund symbolizes our commitment to continue the struggle to end racist police terror. Donations can be made at <http://PayPal.me/DElliottScholarship>.

Injustice system kills Archie, again

Archie, 24, was pulled over in 1993 while driv-

ing home from his construction job, searched, handcuffed behind his back, and placed in the front seat of a police cruiser. Two cops alleged that Archie pointed a gun at the cops. The police then shot him 22 times, 14 shots fatally hitting him.

The usual racist capitalist injustice system then kicked into high gear. The cops got off without any consequences. Appeals even reached the Supreme Court, which declined to hear his case. Recent efforts to re-open the case were also refused by the States Attorney Angela Alsobrooks, who is likely to be the next County Executive.

Black, Latin, white unite against racism

At the fundraiser, Dorothy noted that Wayne Cheney, the Prince George's cop who killed Archie, murdered again a year and a half later. This time, he fatally shot a young white man, again with impunity and no discipline. This fact symbolizes the reality that racist police terror creates a culture that endangers the entire working class. It is in all workers' class interest to to fight racism in all forms.☺

grants. The mass group has many workers who can be potentially won to communist politics.

The signs at the march overwhelmingly focused on Trump. Several antiracists were excited to talk about the fact that deportations and baby jails are not new and are not unique to Trump.

But politicians, clergy, and liberal reformers dominated the demonstration; the main chant was "Vote him out." There was a gratifying moment when the march paused outside the Trump Hotel. A chorus of "boos" shook the plaza in front of the hotel, which continues to make millions of dollars for president Trump from lobbyists, international politicians, and industrialists.

The working class needs an ever-growing communist movement that will sweep aside all Democratic and Republican politicians, target the billionaires behind them, and lead the working class to power. Perhaps some people we met at the march will be part of that revolutionary process.

★★★★★

Support of Israel exposes liberal bosses' hypocrisy

This letter is in response to "Antiracists protest Israel's virulent fascism in Gaza" (CHALLENGE,

6/13).

Bravo to the workers who took to the streets of NYC in May to protest the "barbaric slaughter of Gazan demonstrators." New York City is home to a liberal elite and one of their biggest blind spots is Israel.

Many Hillary Clinton and Barak Obama supporters proudly stand by pro-Israel policies. They seem unable to critically think about the conflict in the Middle East, paralyzed by the fear of seeming anti-semitic.

Hundreds of thousands of New Yorkers marched in solidarity for stronger gun control laws but the number of people calling to control the guns of Israeli soldiers murdering young men and women is miniscule.

Who decided that the lives of Parkland's teenagers were more important than those of Palestinian workers? American Imperialists did.

We know that Donald Trump is a racist and fascist who puts all workers' lives in danger. But liberalism and nationalism are equally as fatal and will only be defeated by an international working class revolution.

I applaud the workers of Jewish Voice for Peace, and their fellow antiracists, who boldly told the liberal elite that they would not stand by quietly as their fellow workers were murdered for profit.

★★★★★

The violent nature of U.S. world order of peace

The principle criticism of Donald Trump by the main wing of the U.S. ruling class, as advanced by liberals flooding the pages of their chief mouthpiece, the New York Times, is that Trump is destroying the “world order of peace and prosperity” that the U.S. has led for the 70 years since the end of World War II. They indict Trump’s “systematic rejection of longstanding American values...that actually made America great,” a “benign empire, held together by...respect rather than force.” NYT, 6/19)

While the decline of U.S.-led world order is very much real, the “peace and prosperity” is all fake news. Those 70 years of “benign peace” include these U.S.-rulers’ military interventions:

- Syria (1949) — Pres. Truman instigated a coup overthrowing elected government because a U.S. corporate oil pipeline was being delayed; six weeks after the coup, the pipeline was approved.
- Korea (1950-1953) — U.S. invasion
- Laos (1953-1975) — U.S. bombing
- Iran (1953) — Pres. Eisenhower had CIA overthrow elected Mossadegh government and install Shah as dictator.
- Guatemala (1954) — U.S. instigated overthrow of a popularly elected government’s land reform, installing a military dictatorship murdering 100,000 workers and peasants.
- Lebanon (1958) — U.S. sends troops to intervene in election.
- Cuba (1961) — Bay of Pigs invasion to overthrow Castro government; defeated.
- Guyana (1963-64) — CIA, AFL-CIO joined forces to overthrow Cheddi Jagan govern-

ment.

- Vietnam (1965-1975) — U.S. invaded, bombed North and South Vietnam, killing three million; defeated.
- Dominican Republic (1965) — Pres. Johnson ordered invasion to install “friendly” gov’t.
- Cambodia (1967-1975) — Invade and bomb, part of war against Vietnam.
- Chile (1973) — CIA and Kissinger engineer coup to overthrow elected Allende government, install Pinochet dictatorship.
- Lebanon (1982-84) — Reagan sends troops; withdraws after bombing of U.S. embassy.
- Grenada (1983) — Reagan invades to overthrow elected government, install “friendly” one.
- Nicaragua (1985) — Reagan arms, finances Contras to attack elected government.
- Panama (1989-90) — Bush, Sr., orders invasion to install new government.
- Iraq Gulf War I (1990-91) — Bush, Sr. deploys 500,000 troops to oppose Saddam Hussein in Kuwait.
- Iraq no-fly zone (1991-2003) — Food and medicine denial results in death of 500,000 children.
- Bosnia (1992-95) — Clinton’s bombings destroy much of infrastructure.
- Haiti (1994-95) — U.S. troops invade to install “friendly” government, insure U.S. corporate investments.
- Kosovo (1998-99) — Massive U.S. bombings.
- Afghanistan (2001, ongoing) — Longest U.S. war in history, Bush, Jr., and Obama deploy hundreds of thousands of troops, spread mass destruction.
- Iraq II (2003-2011) — Bush, Jr., and Obama

hit fictional “weapons of mass destruction,” kill hundreds of thousands.

- Pakistan (2004-2018) — 10,000 drone airstrikes, kill thousands of civilians.
- Somalia (2007-2018) — Troops support U.S. side in civil war.
- Libya (2011) — Obama’s 11,200 air strikes support U.S. side in civil war.
- Iraq (2014-2017) — Obama/Trump’s 10,000 air strikes.
- Syria (2014 – 2018) — Obama-Trump’s 11,200 air strikes.
- Yemen (2015-2018) — U.S. arms Saudi-led invasion, erects naval blockade.
- Libya 2015-2019) — Arm one side in second Libyan civil war.

In 2007, Bush, Jr. established the U.S. Africa Command to direct U.S. troops in nine African countries.

From 1946 to 2000, the U.S. intervened in foreign elections in 81 countries, overtly and covertly — Italy, Japan, Philippines, and Lebanon, among others. (Carnegie-Mellon University researchers) One example: “U.S. played important role in Italy in 1948 in preventing a Communist Party victory [over the Christian Democrats]; “covertly delivered ‘bags of money’ to cover Christian Democrats’ expenses, sent experts to help run their elections” and threatened to end U.S. “aid” to Italy if communists were to win. They did the same in seven subsequent elections.

Such is the U.S. world order of peace. If working people want peace, we need to fight for it. For a world without imperialist violence, we need to build a communist-led world order.☛



RED EYE ON THE NEWS . . .

Below are excerpts from mainstream newspapers that may be of use for our readers. Abbreviations: NYT=New York Times, GW=Guardian Weekly, LAT=Los Angeles Times

Peace Accord means death

El Pais (Spain) 7/5 – Every three days a social leader in Colombia is assassinated. There have been 178, according to police calculations, since the signing of the peace accords with the FARC on November 24, 2016...

This past Wednesday, in the Caceres municipality in the northwest of the country, Ana Maria Cortes, the local coordinator for the electoral campaign of leftist candidate Gustavo Petro was assassinated. On Tuesday, Margarita Estupiñan, the president of the Communal Action Board for the Tumaco neighborhood, was shot in the doorway of her home.

These assassinations are a dramatic reflection of the precarious situation that still exists in Colombia.

The regular lack of defense for community leaders shines a spotlight on local landowners and mafia groups; since the peace accords there has been increasing confrontations between criminal bands and armed groups for control of the territory.

U.S. impoverishes & kills millions of kids

NYT, 6/28 — America systematically shortchanges tens of millions of children, including homegrown kids....American kids are more likely to be poor, to drop out of high school and even to die young....Tear apart homegrown families...through mass incarceration, excessive juvenile detention and overuse of foster care. One black child in 10 spends time in foster care — and 61,000 foster kids have simply gone missing since 2000....

“A shockingly high number of children in the U.S. live in poverty,” the United Nations...[official] Philip Alston...declared

....Almost one-fifth of American children live in poverty...and they account for more than one-fifth of homeless people.

Alston [said] “there’s a very direct link” between the mistreatment of immigrant children at the border and the indifference toward low-income children all across the country....

...A U.N. official...finds that kids here have worms....Two researchers...found that some three million children live in “extreme poverty,” with a cash income of less than \$2 per person per day....

Since about 1970...American kids have been dying at higher rates. A child is more likely to die by the age of 19 in the U.S. than in...peer countries....

Half a million kids still suffer from lead poisoning each year....A tropical disease specialist at Baylor’s College of Medicine warns that here in the United States, “Millions of children living in poverty may be affected by toxocariasis, a parasitic roundworm infection....”

...Trump is...cutting benefit programs in ways that will hurt poor kids. Trump’s tax cuts add to the deficit...sticking children with the bill.

Thousands separated from parents: a “form of state terror”

NYT, 6/23 — Trump’s Secretary of Homeland Security shrugged off accusations that [separating migrant children from their parents] was a “form of state terror.” After all, she said, “We do it every day in every part of the country....”

...Family separation...is...happening...thousands of times a day. “In the United States,” she said, “we call that law enforcement....”

...Prosecutors and the police routinely separate children from their parents....It comes with no warning, sometimes in the middle of the night....

INCARCERATING PARENTS. A quarter of a million American children...have a single mother in jail, where most detainees are awaiting trial or committed a minor offense....Another 150,000 have a mother in prison....One in four black children ...have their father incarcerated before they turn 14....Some have the potential to be lost. The Dallas Morning News found that children whose parents were behind bars had slept in state offices, [and] run away from foster homes. “No one in the criminal justice system is responsible for the safety of children whose mothers go to jail.”

Women who give birth while incarcerated are usually separated from their babies....

INCARCERATING CHILDREN. More than 30,000 children are locked up in juvenile facilities in this country....Black children are incarcerated at a rate five times higher than white children.... Children are still held in appalling conditions... [including] solitary confinement for months at a stretch.

REMOVING CHILDREN FROM THE HOME. There are some 400,000 children in the foster home system, many of whom are prohibited from any parental contact....

These children are typically taken by officials they have never met, without warning, then subjected to intrusive interrogations, medical examinations and sometimes strip searches.....Many of the cases were unfounded, and...agencies disproportionately go after black and Latino parents.

France: Youth fight cops’ racist murder of immigrant workers

NYT, 7/5 — ...A police killing....[showed].... images from the western city of Nantes of burned-out cars, smashed bus shelters and shattered store fronts:...symbols of...policing in minority neighborhoods....Police pulled over a 22-year-old man acquaintances identified as Aboubakar, the son of immigrants from Guinea, during a traffic stop....

...The young man was shot in the neck and died before he made it to the hospital....

What followed was a night in which angry youths in three Nantes neighborhoods threw fire bombs and burned eight buildings and some 30 cars....Said Gergard Mauger, at the CNSR research institute....“For 40 years we’ve had 10 percent unemployment, much higher in these neighborhoods. The first victims of it are the immigrants.”

En-Némèr, who runs a local youth group.... said, “They had beefed up the police presence to ‘protect’ the neighborhood....

Mr. En-Némèr, who knew Aboubakar from soccer matches organized by his group, vigorously disputed the police account. He said 10 witnesses interviewed by him and his group all agreed. There had been no aggression from the young man....

Working class under attack

Capitalism sinks by the Bay



As sharpening inter-imperialist rivalry leads to larger wars and fascism, the U.S. capitalist rulers are trying to solve the crisis of their failing profit system by attacking the working class. Over the next several issues of CHALLENGE, we will be writing about how these attacks are affecting workers—and how a communist-led revolutionary movement can fight back.

SAN FRANCISCO, CA—Capitalism cannot and will not provide adequate housing for the working class. In the ferociously gentrified San Francisco Bay Area, where the median price of a single-family home now exceeds \$1.6 million (sf.curbed.com, 4/5), more than seven thousand people are homeless (San Francisco Chronicle, 6/28). With an acute shortage of shelter beds, the number of homeless camps has exploded. Thousands—including families with children—are living in cars, tents, parks, abandoned buildings, outside bus stations, or in the streets.

Many homeless people, including both teachers and students, have jobs but cannot afford a lease in a city where the average one-bedroom apartment rents for \$3,334 a month (rentjungle.com, June 2018). Thousands more are housing-insecure. They face impossible rent increases and are headed down the eviction-to-homelessness pipeline.

Yet countless houses and apartments in and around San Francisco sit empty. And the technology exists to build thousands more. How is this catastrophe possible?

The Bay Area housing crisis can be traced straight to the anarchy of capitalism. Silicon Valley mega-firms like Apple, Google, and Facebook build huge production facilities with no plan for housing and support services for their workers. Between 2012 and 2016, more than 373,000 new jobs have been created in the Bay Area—and only 58,000 new housing units permitted. Since 2011, the competition of high-salaried tech workers for scarce housing stock has doubled the median price of a home, squeezing out lower-paid workers. Empty lots and “tear-down” properties in Silicon Valley sell for over \$1 million.

What the profit-crazy millionaires and billionaires cannot anticipate, for all their fancy technology, is that the working class—citizens and non-citizens alike—will fight back and unite in a multiracial force to confront their oppressors, and ultimately to smash the inhuman profit system.

“American Dream,” R.I.P.

For a very few generations, the American Dream of home ownership looked like an answer for many workers in the U.S. Ownership meant housing security and the accumulation of wealth. Passing this wealth down to one’s children allowed for upward mobility. After World War II, U.S. capitalism was rapidly expanding around the world. Within the U.S., the real estate industry was making money hand over fist. Both suburbia and un-

developed areas in cities like Oakland saw massive development of single-family homes. In the 1950s and 1960s, supported by anti-racist struggles and unionized jobs, some Black workers who left the South in the Great Migration bought homes in the Bay Area’s flatlands. Immigrant workers bought homes in Fruitvale and Chinatown.

But the American Dream was always color-coded. Banks, real estate interests, and the federal and state governments enforced racist redlining to segregate neighborhoods. The racist exploitation meant that Black, Latin, and immigrants workers were forced to pay higher interest rates for mortgages—or could not qualify to buy a home at all.

A recent article in the SF Business Times reported that HUD (the U.S. Department of Housing and Urban Development) has now defined the minimum annual income for “affordable housing” for a family of four in the Bay Area at \$117,400. Which means that the great majority of Latin, Black, immigrant, low-wage, and non-union workers need not apply!

Why capitalism can’t build its way out of the housing crisis

Capitalism invests in housing only when it generates an ever-increasing profit. Beginning in the late 1970s, sections of the working class started losing ground in wages and buying power. Concentrated among Black, Latin, Asian, single heads of households (predominantly women and new immigrant workers), the wealth gap has continued to widen. Since the 1970s, the “hourly inflation-adjusted wages grew only 0.2 percent per year. In other words, though the economy has been growing, the primary way most people benefit from that growth has almost completely stalled...Large wage gains have accrued to workers at the top...and wages have been declining or stagnant for the bottom half of the income distribution” (Harvard Business Review, 10/24/17). Meanwhile, the cost of housing (workers’ largest family expense) has risen by 73 percent for a two-bedroom home (rentjungle.com, June 2018).

After the U.S. subprime mortgage market collapsed in 2007, inequality reached new extremes. The resulting flood of foreclosures robbed the

Blackstone Equity Group: Housing Racketeers

Blackstone Group\Invitation Homes is the world’s largest private equity firm. Based on proprietary logarithms, the company calculated that areas like Oakland, with high job growth and a shortage of housing, had the greatest profit potential. After the crash of 2007, it made wholesale bids on auctions of “distressed loans” and amassed a portfolio of 82,000 homes. As a result, Blackstone captured the wealth lost by individual homeowners in foreclosure. The filthy rich got richer; the working class was devastated.

In 2017, Blackstone became the dominant player in the rental market in Alameda, an island city in the San Francisco Bay that connects to Oakland with bridges and a tunnel. Blackstone bought the 615-unit Summer House apartment complex, the largest in Alameda, for \$231 million. Now its management company is initiating mass rent increases and evictions.

In the 1940s, in another part of Alameda, public funds built housing for military and shipyard personnel, most of them lower-income Black, Latin, or immigrant workers. In 1958, the Alameda Housing Department demolished the 760-unit Chipmen housing project and sold off the publicly owned parcels to private speculators, who subsequently developed the Summer Homes. Some owners gamed the federal government to obtain low-interest loans. Some deliberately allowed the housing to deteriorate and then tried to evict their tenants. Finally, in 2005, Kennedy Wilson bought the complex for \$87 million and spent \$30 million in renovations. Between 2006 and 2016, they also filed the highest number of unlawful detainers in Alameda, the first step to eviction. In 2017, they finally sold the complex to Blackstone for \$231 million, a tidy profit (East Bay Express).

This process is labeled “gentrification.” We can see it for what it is: capitalist maximization of profit off the backs of a working class that is desperate for housing and stratified and divided by wage differentials.

working class of billions of dollars of wealth. Oakland was among the hardest-hit cities, with more than 35,000 homes lost between 2007 and 2012. Evictions and displacement from rental properties soared as well. The so-called American Dream was now a waking nightmare for the working class—and a new golden new dawn for the rapacious pigs of finance capital. (See box on Blackstone.)

According to the Metropolitan Transportation Commission (MTC), the shortage of affordable housing “is a primary driver of all our transportation problems.” At the current rate of new housing construction, an MTC study estimated that Oakland residents would have to wait until the year 2295 to house its projected population in 2040!

Because of racist gentrification and decades of “urban removal,” the Black population of San Francisco declined from 13 percent in 1970 to less than

Continued on page 5

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