

stop political mobilizations we must build defense guards to defend demonstrations. We also must connect with unions and workers and build massive strikes against the brutal forces of the military and the police. If the youth are armed with a program that connects their struggle to the rest of the working class and other oppressed groups, the ghettos and the barrios could be defended by integrated workers' and Black/Latino militias. We must convene mass meetings, democratically organized on a one-person-one-vote basis, to build effective, disciplined defense guards for the communities, and to debate and agree upon a political and economic program that the youth can champion as something worth fighting for.

We propose these additional points for the program:

- **30 hours' work for 40 hours' pay:** Under capitalism, there are never enough decently-paid jobs for everyone. Those who have jobs face layoffs or benefit cuts. With mass unemployment, it is hard to make strikes effective, and win job security and fair wage increases, partly because so many are desperate for jobs. To change this, we must demand that the available work be spread evenly among all who want it, resulting in a **shorter work week, at no loss in pay!** This demand alone can unite the employed and the unemployed in a common struggle for **secure jobs for all, at decent union wages!** If oppressed Black and Latino youth fight for this demand, they can join a common struggle with all workers, instead of giving in to the bosses' strategy of keeping workers powerless by dividing them along racial lines.
- **Free, high-quality, unlimited childcare for working par-**

**ents, and union wages for those unable to work:** The capitalist "welfare" system is a fraud and a cheat. It perpetuates oppression and despair by forcing grinding poverty and humiliation on those who cannot work due to family responsibilities, disability, or inability to find work. For parents of young children to be able to earn a decent living, free, high-quality childcare must be universally available, with union wages for childcare workers. For those who cannot work, social support payments should be equal to the full-time wage of a union worker.

- **Education and job training with free tuition, open admissions, and student stipends:** Young people must have access to education and job training. Working class youth of all races cannot afford to pay high tuition. Those who have had to attend substandard schools need open admissions and academic support programs. Students' struggles against tuition hikes should be linked to the struggles of oppressed youth, who are suffering today from what many students will face tomorrow—no prospect of a decent job. Fighting for free tuition and open admissions will unite all young people, including students, workers, and the unemployed, in a common struggle for a decent future. We must demand: **Reverse all budget cuts! Open admissions, free tuition, and stipends for students! Statewide student strikes against racist oppression, budget cuts and tuition hikes!**
- **These demands cannot be won by voting Democratic! Build a Labor Party to fight for the rights of workers and the oppressed against the racist, exploitative capitalist system! For a workers' government!**

## California: The Working Class Answer to the Budget Crisis

The election of Bill Clinton in 1992, while loudly applauded by ruling class liberals and their middle class cheerleaders on the left, has only served to continue and deepen the severe budgetary crisis in the United States. This budgetary disaster, which exists at all levels of government in the U.S., is inseparable from the economic depression that America is now enduring. Bill Clinton's answers to the budget crisis are, in reality, not much different than those of George Bush. Despite Clinton's hollow — and somewhat desperate — statement that "California is still the most powerful economy in America," nowhere is there to be found a more nightmarish state budget than

in the Golden State itself. For the fiscal year 1993 California's budget has been cut by \$5.4 billion — and, as in 1992, includes a massive assault on the state's public services. On the day the state budget was passed in Sacramento, California Governor Pete Wilson declared, with an arrogance almost surpassing that of Clinton, "It's a realistic budget... it's a budget for hard times."

### Budget-Cutting on the Backs of the Workers

What Wilson was trying to say was that the 1993 California state budget would be balanced directly on the backs of the workers and the poor

of California. As in previous years, it is those services which are essential to the working class (welfare, health, education, etc.) that will face the budget-cutter's axe. At the same time, the courts, cops, prisons and business agencies required by the ruling class to protect *their* interests will be left practically unscathed. The Republican and Democratic representatives of the ruling class in the state government have seen to that. Of course, these bourgeois hacks haven't wasted a minute to "assure" the rest of us that the California public schools will be "fortunate" this year to escape major cuts in state funding! The reality, however, is that California's schools are already among the

most impoverished in the nation; nevertheless Wilson has targeted the three state university systems instead. Tuition fees for the CSU system alone will go up by an average of 10% this year, and major cutbacks in course offerings will follow. At San Francisco State, course offerings since 1989 have dropped from over 4,000 to the present level of 3,200 courses, with fees going up by 70% (for this year, it's a whopping \$1,438!). The situation in the community colleges is not much different, with enrollment likely to drop by tens of thousands because of the tuition hikes.

The same kind of picture emerges when one looks at the budget cuts in AFDC, General Assistance, funding for public health, housing and other social services; in fact, the California budget carries with it an 11% across the board cut in state funding. Just in terms of the health budget, this amounts to a cut of over \$1.5 billion, which includes all AIDS funding from the state. What it means, of course, is that poor and working people will have to pay for the California budget deficit with their very lives. As the banks and insurance companies grow fat on the budget crisis, thousands of workers and their families will be forced to sleep on the streets, go hungry, and even to die for lack of medical facilities. This is already happening in the larger cities of California, including "liberal" San Francisco, where the ruling class mayor's budget includes the closure of half the city's health centers and the virtual elimination of AIDS health services. Thus, the whole process by which this big business austerity budget has come together in California is nothing more than a full frontal assault on the working class in this state.

As in previous years, the elderly and those on a low income have to bear a large part of the burden of these devastating attacks. But in addition, this year, unionized workers and even the more privileged workers will come under attack. For instance, in order to "help balance" the local and state budgets, public employees throughout California have been forced to accept reduced working hours, cuts in benefits, work furloughs and even lay-offs. Now no sector of the working class is capable

of escaping the misery of the ruling class' austerity measures. Even the sacrosanct American middle class has begun to experience the fallout from these attacks, as public schools, hospitals, libraries, etc. are cut to the bone or closed down in California's "respectable" neighborhoods and (shock, horror!) suburbs.

As the smoke clears, it is apparent to everyone who can see that this budgetary disaster could only have come about through the open collaboration of the Democrats with their Republican counterparts in the state government. The truth is, the California budget was passed by the state legislature, which in the Golden State is controlled by the Democrats. This only serves to underline the *political bankruptcy* of the union leaders, who continue their opportunistic, ass-kissing lobbying of Democratic Party politicians via the "sieges" of Sacramento, instead of leading the struggle for a *fighting labor party* in the U.S.!

---

## **"The 1993 California state budget would be balanced directly on the backs of the workers and the poor of California."**

---

This fundamental fact applies equally to the so-called "liberal" Democrats: It was only because "liberal" Willie Brown was willing to work closely and co-operate with Pete Wilson, the Republican "vampire," that this blood-sucking budget came into existence in the first place! As part of the deal, Wilson demanded that \$2.6 billion in property tax revenue be "shifted" away from the cities and counties, and over to the school districts. This year the Democrats and the Re-

publicans don't need to cut funding drastically from the public schools system. They've cut so much over the last few years that if they keep on cutting they will face a revolt; thus the ruling class can "shift" funds from the cities to the schools. Wilson's so-called "property tax grab" (in reality a desperate redistribution of the budget crisis to different jurisdictions) received the full blessing of Willie Brown. Why? Because Brown was quite happy with the idea that the hardest hit cities and counties (like Los Angeles) could recoup their losses by charging regressive sales taxes in their localities! As wily Willie himself put it, "If they don't like the shift, they'll hate what happens if there isn't one!" For these ever so polite bourgeois gentlemen, there is no problem with robbing Peter to pay Paul — as long, that is, as M'sieur le Bourgeois wins out!

While the Democrats and their liberal fellow travellers cry crocodile tears over "Wilson's tax grab," their friends in the insurance companies and the banking and investment industries pillage more and more of the state's revenues in the form of "loan payments," "investment returns" and of course, good old fashioned "profits." In fact, the budget deficits at both the local and the national levels can be traced almost directly to the obscene levels of interest payments made to the big banks. Today, the federal government is paying about \$300 billion per annum in interest to the banking industry, a sum which could adequately provide social services in every state in this country, fund AIDS research — and pay off the budget deficits to boot! So, while the rich investors and bankers are let off the hook, the ruling class and its twin parties demand that the working class pick up the tab for *their* budgetary crisis! It is precisely for this reason that public employees' unions should not pay a penny in concessions and givebacks to balance the federal, state or city government budgets. Without a doubt, it is American big business and its bureaucracies who are 100% responsible for the budget deficits (and the economic crisis in general) — not "overpaid," lazy workers, "special interest" unions or "fat" cities! Our response to the austerity policies of the

bosses and the government bureaucrats is very clear: **Open the budget books to full inspection by the workers! Billions of federal and big business dollars to restore the government budgets! Balance the budgets on the backs of the banks, not the workers!**

### The Bureaucrats' "Solution" and the Workers' Alternative

Inevitably, the budget question came to the fore at the local level this summer in the infamous liberal stronghold by the Bay, San Francisco. S.F.'s big business flunkey (a.k.a. mayor) Frank Jordan attempted to launch a massive attack on the city workers' unions in order to balance the \$200 million city deficit. This summer, "Ballpark Frank" issued an ultimatum to the SEIU city unions. Either they could accept major concessions such as wage freezes, work furloughs and two-tier systems — or face the prospect of

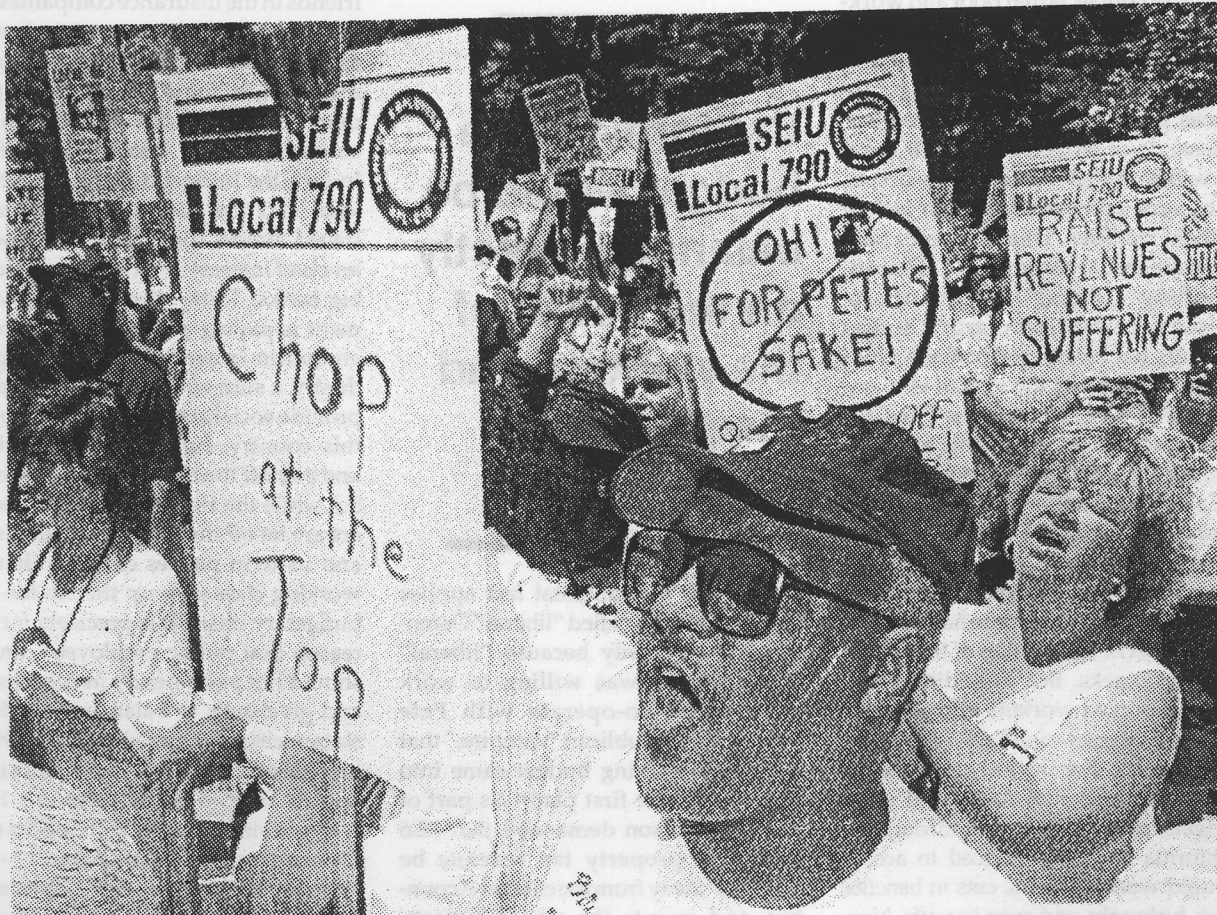
over 1,500 lay-offs and more rounds of service cuts. Jordan's attack received a generous dose of support from (liberal darling) Democratic Supervisor and "friend of labor" Carol Migden. The S.F. bourgeoisie also received back-handed support from a perhaps lesser known source: the top leaders of the SEIU unions, including Paul Varacalli, SEIU's international Vice-President.

Through the efforts of the bureaucratic union leadership, the members of SEIU were forced to accept a toothless, concessionary contract, which they were not even given the right to *vote on!* (In other words, it was a company union type of contract.) This shocking "contract" called for a one year wage freeze, continued "subcontracting" by the city, no protective language against lay-offs (especially for temps and those "contracted out"), and it even included *binding arbitration* in place of the right to strike! Incredibly, the SEIU

union "leaders" hailed this contract as a "victory." These bureaucrats even "congratulated" the nurses in Local 790 for accepting a wage freeze (under pressure from Varacalli & Co., that is), in exchange for a brief postponement of lay-offs and health cuts! While the union bureaucrats patted themselves on the back for their "victory," hundreds of city workers received lay-off notices. As if to add icing to their rotten cake, the union leadership politely demanded that S.F.'s big businesses "pay their *fair share*," and of course called on the city to "Tax the Rich."

### "Tax the Rich" Versus Independent Workers' Actions

While we do not oppose "taxing the rich," we also cannot propose it as the *full* solution to the budget crisis. Instead, we counterpose our revolutionary program. By focusing the attention and efforts of the people on



SEIU workers demonstrate in Sacramento against the budget cuts

pleading with Democratic Party officials to enact tax reform measures, the "Tax the Rich" movement (which includes "revolutionaries" such as the Revolutionary Workers League) fosters the illusion that bringing pressure to bear on the "better" politicians can cause changes in tax policies that will counteract the anti-working class agenda of the bourgeoisie. Worse, it distracts the workers from the need to adopt *independent, class-based* methods of struggle. This is why liberal Democrats, reformists, and labor bureaucrats can be persuaded relatively easily to jump onto the "Tax the Rich" bandwagon. They are always happy to encourage letter-writing campaigns to legislators as a substitute for militant working class actions such as mass strikes and workplace occupations!

The only time that the capitalist class and its state allocate money to the workers is when the workers are mobilized and confront the state and the capitalists with militant actions. City workers, along with the rest of the working class, can effect the budget only if they control the city and state budgets, which can happen only if they fight to take power in their own hands. On the other hand, any minor concessions given to the workers via "Tax the Rich" measures with the left hand will be taken away by the right hand. City workers and the rest of the working class will get their share only if they take *militant labor actions* and demand to control the city books and decide how to allocate the budgets. And if big business refuses to provide the money, the workers should force it to do so by shutting down the city.

To make this happen effectively, there is a need for a revolutionary struggle since *only a rational planned economy run by the working class can put an end to the budget crisis and cuts, which are just by-products of the present capitalist crisis*. But the workers need to go through this experience to see that it is really the only solution. The first progressive steps towards such a development are militant actions of the workers to stop the union bureaucrats' capitulation to the capitalists on the budget question. There is no need to plead the Democrats via "Tax the Rich" proposals. Such pleadings never made a difference in

the past and will not make a difference in the future. If we want to be serious about getting what we deserve, we must break *completely* with the Democratic Party and build a labor party that is based on militant class actions organized by the unions and newly created workers' action committees.

### The Proposition B Sell-Out

How the SEIU bureaucracy's disgusting sell-out came about can be traced directly to the creation, in 1991, of Proposition B in San Francisco. Prop B was created by none other than the SEIU bureaucrats in open collaboration with San Francisco's Chamber of Commerce (representing Chevron, Bechtel, the Gap, etc.). Directly as a result of this anti-labor "bargaining" measure, the city workers were robbed of any *real* bargaining power (including *additional* restrictions on their right to strike) — as well as being denied the right to vote on the contract itself! Because of Proposition B (euphemistically called "collective bargaining" by the bureaucracy), these decisions would be made directly by a panel of arbitrators — not the membership — and the arbitrators' decisions would be binding! With the power of the contract wholly in the hands of unaccountable "arbitrators" and (if appealed) bourgeois city politicians, Proposition B bargaining *clearly represented an attack on the city workers, a first step toward SEIU becoming a company union*.

It was not just the union bureaucracy that helped make Proposition B a reality. Adding their own two cents' worth (as well as giving a left wing cover to the bureaucracy) were the centrists of the Revolutionary Workers' League (RWL). Between 1991 and 1993 the RWL actively supported the SEIU leadership's campaign for Proposition B, despite the fact that this measure clearly was, from the very beginning, a form of *class collaboration*. During the January 1993 SEIU ballot on Prop B, the RWL went so far as to produce stacks of flyers echoing the bureaucracy's description of Prop B as "Full Collective Bargaining"! These centrists also had no problem tailing the union bureaucrats' calls to "Tax the Rich," without making clear *how* the

rich would be taxed, *who* would do the taxing, and *how* the revenues generated would be used for the workers! In other words, like the leftist union bureaucrats, the RWL used this demand in a purely *reformist* way. In contrast, the Revolutionary Trotskyist League called for the opening of the city's budget books to full inspection by the city workers, while emphasizing that only militant labor actions could restore the city budget cuts — not the vacuous, reformist calls of the bureaucrats to "Tax the Rich!" Similarly, in the case of Proposition B, we warned the rank and file from the very beginning that Prop B was a back-stabbing sell-out by the union bureaucracy, the very opposite of real collective bargaining!

Today, with Proposition B used as a weapon in the hands of big business, the city workers have been forced to accept a real wage cut followed by layoffs of over 1,000 union workers. The union bureaucrats, working hand in hand with the Chamber of Commerce and its city politicians, have (in accordance with Prop B) prevented the rank and file from organizing militant actions, including *strike action*, against the city's attacks. The irony is that today, *only militant labor actions are capable of halting the city's budget cuts* and the other attacks that the Democrats and Republicans are organizing, not just on a city-wide, but also a state-wide level.

- No balancing of the budget on the backs of public employees and other workers!
- No lay-offs, no work furloughs, no cuts in public services!
- For wage increases indexed to the cost of living!
- Down with all kinds of "binding arbitration"— full rights to strike for public workers!
- The city and state budgets should be balanced by big business and their billion\$!
- Make the bosses and the bourgeois government pay — it's *their* budget crisis, not ours!
- For militant labor actions on a mass scale to stop the budget cuts and the bosses' attacks!
- Break with the Democrats and Republicans — build a fighting labor party based on the unions!