

Capitalism, Socialism and—

The Earthquake in Japan

By Bernard Bortnick

THE earthquake and tsunami that struck Japan on March 11 underscored the vulnerability of populations, even in highly industrialized countries, to the movement of destructive natural forces. Even more critical, perhaps, are fissures of a social nature; fissures that tend to expose the susceptibility of a society based upon an economic system whose sole guiding principle is rooted in the profit motive.

The facts are evident, and have been for a long time: The surface of the earth is dynamic. It is in constant motion because of plate tectonics. The earth's crust can be as capricious as the weather, also in constant motion and still largely unpredictable despite the best efforts of climatology to forecast its behavior.

Capitalism, however, is often oblivious to these material facts because of its incessant drive for profit, for squeezing as much surplus value out of the working class as possible. It ultimately regards science as an advisory nicety subservient to the profit motive, useful when it is convenient and cast off when greed and cutthroat competition enter the picture.

This is evident in the way human

populations are and have been carelessly encouraged, if not coerced, to situate in vulnerable areas where fixed capital, factories and plants, are located. It is a capitalist world with capitalist cities.

Los Angeles and San Francisco, to cite just two examples near to home, have suffered from significant seismic disasters within the last 30 years. Other U.S. cities, such as Seattle, situated along the Pacific Rim's "Ring of Fire," Memphis and St. Louis, both near the New Madrid fault line, are at risk.

On a global scale, one hardly need mention Haiti's Port-au-Prince, New Zealand's Christchurch, Turkey's Istanbul, or China's Chengdu to appreciate the scope of the threat. Seismically sensitive areas of the globe are numerous.

When meager populations were largely rural pastoral and agricultural an occasional rocking of the earth and shaking of tent, lean-to, pole-house or yurt was relatively speaking no big deal. However, those times are quaint history. Now billions of urban dwellers are amassed in large unwieldy, energy devouring cities, whose buildings are largely improperly braced and unprotected.

Capitalism requires large population

concentrations in cities and megalopolitan areas offering readily accessible labor pools to run industry profitably. Because of what has come to be known as overpopulation, notably in the developing nations where modern industry is still in its infancy, the competition for jobs increases exponentially. The competition for jobs holds wages down, which, in turn, enhances capitalist profits. As a further result, a high degree of misery and absolute destitution can be maintained, often seething on the point of open rebellion. Hence, labor power can best be exploited as an aggregated mass concentrated in cities that now sprawl endlessly over the Earth's surface on virtually every continent.

To accommodate such large populations all sorts of measures have been put into place in more advanced countries. For an industrialized island nation such as Japan to maintain sufficient land for farming urban densities continue to increase, frequently in close proximity to nuclear power plants can be extremely dangerous if there is a mishap.

Indeed, the Chernobyl-sized nuclear disaster currently unfolding at Tokyo
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Tea Party: Reactionary or 'Revolutionary'?

By Diane Secor

THE "Tea Party" movement was named after the 1773 Boston Tea Party, which preceded the American Revolution for independence from British colonial rule. Capitalist financed reformist "grass roots" movements come and go, with "conservative," "liberal," or "centrist" catchy slogans. Then why is this "Tea Party" newsworthy for American workers? This Tea Party movement has two significant characteristics. First, vast amounts of capitalist money have been invested in this Tea Party over a long period of time, more than two years, on a nationwide scale. Second, and most ironic, the most reactionary trends and elements in capitalist rule have been incorporated into the Tea Party.

This Tea Party has been packaged and sold as "anti-establishment" and "revolutionary." On the surface, it seems like just a hodge-podge of "libertarian," "deregulation," and "smaller government" advocates. However, behind the scenes, the funding and overall direction of the Tea Party comes from the billionaire Koch family, a major fin-

ancier of the very "pro-establishment" Republican Party. *The Washington Post* (Jan.1) reported that the Koches' Americans for Prosperity (AFP) brought a delegation of Tea Party activists from Ohio, Texas, California, and throughout the United States to Mexico. Their mission was to protest a United Nation's conference on "climate change" in Cancun. AFP provided this "grass roots" group with T-shirts and wrote their scripts, ridiculing the scientific research on the causes and the development of global climate change.

These theatrics in Cancun are one example of how the Koch political machine operates. Dozens of Koch foundations, front groups, and political organizations throughout the country channel millions of dollars and send their representatives to steer the direction of the Tea Party. In the August 30, 2010 issue of *The New Yorker*, Jane Mayer reported that one of the Koch Republican colleagues said that this Tea Party was actually "founded" with Koch funds. For the last couple of years, David and Charles Koch have planted and watered

the Tea Party's seeds and then reap the harvest. The aim is to defend the material interests of the Koch financial empire and related businesses. For instance, according to this *New Yorker* report, the Koches have heavy investments in oil products. David Koch, himself a cancer survivor, has donated millions of dollars for cancer research. However, Koch Industries has mobilized their Washington lobbyists to try to stop the Environmental Protection Agency from classifying formaldehyde as a substance known to cause cancer in humans and thus subject to federal regulations. Not surprisingly, Georgia-Pacific's chemical division produces formaldehyde, and also makes substantial profits from using this substance in its factories.

Also researchers from the Political Economy Research Institute of the University of Massachusetts at Amherst found that Koch Industries is "one of the top ten air polluters in the United States." With that Americans for Prosperity behind this Tea Party movement
(Continued on page 3)

*Trade Unions and Socialism—***How the SPGB Replied to An SLP Member's Inquiry**

Dear Editors

After reading a number of SPGB statements on the unions, among them the SPGB Executive Committee's appeal to trade unionists (*Socialist Standard*, September 2009), I wonder if you could devote some space to further explaining your position on the role of unions in the revolutionary process.

I am prompted to raise this question by certain things I have read in Marx on the same question, among others the statement in *Value, Price and Profit*, where he speaks of the unions "using their organized forces as a lever for the final emancipation of the working class, that is to say, the ultimate abolition of the wages system." Similarly with Marx's contention that "only the trade unions are thus able to represent a real working-class party, and to form a bulwark against the power of capital."

The second statement, with its emphasis on "only the trade unions," is taken from Marx's 1869 interview with the German trade unionist Hamann, as quoted by Karl Kautsky in his 1909 article, "Sects or Class Parties", which is posted to the Marxist Internet Archive. Kautsky also said there is no reason to doubt the accuracy of Marx's statement to Hamann. I also know the importance Daniel De Leon and the Socialist Labor Party in America attach to it. (See, for example, De Leon's articles, "A Brace of Specimens, Even 'Neater'" and "With Marx for Text," both of which are posted to the Daniel De Leon Internet Archive.)

By "union" you will understand that I do not infer today's unions, which are as unfit on the economic field as your country's Labor Party is on the political, but unionism as Marx envisioned a union aiming at "abolition of the wages system." Frankly, I cannot reconcile my understanding of the SPGB's position on this question with these statements from Marx, and would like to see a *Socialist Standard* article devoted to clarifying the SPGB's position on the union question and how it relates to the Marx passages cited here.

BERNARD BORTNICK
(SLP Member),
Dallas, Texas.

The Socialist Standard's Reply:

As can be seen from the quote in Kautsky's article Marx was talking about the existing, non-revolutionary unions:

"The trade unions should never be affiliated with or made dependent upon a political society if they are to fulfill the object for which they were formed. If this happens it means their death blow. The trade unions are the schools for Socialism, the workers are there educated up to Socialism by means of the incessant struggle against capitalism which is being carried on before their eyes. All political parties, be they what they may, can hold sway over the mass of the workers for only a time: the trade un-

ions, on the other hand, capture them permanently; only the trade unions are thus able to represent a real working-class party, and to form a bulwark against the power of capital. The greater mass of the workers conceive the necessity of bettering their material position whatever political party they may belong to. Once the material position of the worker has improved, he can then devote himself to the better education of his children; his wife and children need not go to the factory, and he himself can pay some attention to his own mental education, he can the better see to his physique. He becomes a Socialist without knowing it." (Translation by Zelda Kahan for the July 1909 issue of the *Social Democrat*, theoretical journal of the SDF),

We can agree with Kautsky that there is no reason to suppose that Marx did not say something like this, as it conforms to his strategy of the time of working within the International Working Men's Association to encourage a trade union consciousness amongst workers to develop into a socialist political consciousness. His advice to the existing unions to organise workers irrespective of their political opinions and to avoid being linked to a political party is sound (it is our view too). What he says about unions being the only real defence workers have under capitalism against "the power of capital" is also true.

We cannot see that this passage can be interpreted as Marx advocating a syndicalist approach. If it wasn't for his other writings of the period urging workers and their unions to aim also at the abolition of the wages system he might rather be thought to be advocating here a trade-union based party like the Labour Party in Britain was at the beginning.

In any case, events did not confirm the optimistic view Marx expressed here that the trade unions would be "schools for Socialism." Kautsky correctly makes the point about this that England showed that the existence of trade unions "alone is insufficient to convert the worker to Socialism 'without him knowing it'; that they do not necessarily bring Socialist conviction home to the worker because of 'the incessant struggle against capitalism which is being carried on before their eyes.' Only a scrap of this struggle is really being pursued daily, and this scrap is not even always sufficient to indicate the real meaning of the whole struggle." Hence the need for a socialist organisation to point out that meaning.

But this is not a reason for socialists to oppose the existing unions. They are organisations that can, in a limited way, defend the wages and working conditions of their members. That is why our members join them and work with their fellow workers to get what can be got out of employers. Inside them, we advocate a class approach, internal democracy, non-affiliation to a political party (our members refuse to pay the levy to the Labour Party) while of course also arguing that the only

framework within which the problems facing workers can be lastingly solved is socialism and the abolition of the wages system. We have never seen the point of trying to organise a socialist or revolutionary union to rival the existing unions. Since the vast majority of workers today are nonsocialists such a union would be small and ineffective. The nonrevolutionary position of the existing unions ("a fair day's work for a fair day's pay") is a reflection, not the cause, of the non-revolutionary ideas of their members. However, when more and more workers come to be socialists the unions will be transformed.

In fact, we envisage workers, once they have become socialist, organising both politically and economically to bring in socialism. Politically to wrest political control from the parties of capitalism. Economically, to keep production going during and immediately after the changeover from capitalism to socialism. We don't envisage the socialist revolution being purely electoral and parliamentary (if that's what you were thinking).—Editors.

QUESTION PERIOD

Does Marx's *Capital* have 3 volumes in total or 4 volumes? Thanks.

David Su

The People Replies—

Does *Capital* have three or four volumes? It all depends on whom you ask. The SLP would say there is only one, the first. That idea is based on Marx having left only that first volume in publishable shape. His life-long friend and coworker, Frederick Engels, patched the next two together from notes, much of which were all but illegible, even to Engels. (Read his introduction to Volume II and you'll gain a better understanding of the problem.)

The so-called fourth volume, also known as *Theories of Surplus Value* and which is really two [three] good-sized books, was similarly patched together by the German Social Democrat, Karl Kautsky, whom Engels named as his "literary heir."

Much of the material in Volumes II, III and IV predates the final version of Volume I, and unless Marx got around to revising those notes as his understanding of the capitalist system grew—and making those revisions clear enough for someone other than himself to fully grasp and appreciate—they can be confusing, or even misleading, to all but the best-informed students of Marx and the development of his economic theories and their application. Daniel De Leon, the American Marxist, dismissed Volumes II and III (he knew nothing of Volume IV) as pious monuments that Engels raised to his friend, Marx, and not worth reading. Personally, while we understand and appreciate De Leon's reasoning, we would not go quite as far toward dismissing them as De Leon did. Nonetheless, and for the reasons stated, they have led many into confusion and provided handles for Marx's critics. To get what there is to get out of them one must really get Volume I down pat and, of course, be ever-mindful of the raw state in which all the subsequent volumes were left.

Incidentally, two helpful aids before plunging into *Capital* at all are Marx's *Wage-Labor and Capital* and *Value, Price and Profit*, both of which can be found on the SLP's website and elsewhere on the Internet.

Defining Socialism

By James G. McHugh

Over the years I've been confronted with many of capitalism's supporters who like to claim the socialism is defined as a "government run economy." There are several issues that can be taken with this definition.

First, there is almost no chance that a socialist would ever be permitted to define anything without being ridiculed and dismissed as doctrinaire and dogmatic.

Second, who wrote this definition and for whose purposes? Has any socialist ever been consulted on the subject? Have the people using this definition ever listened to a socialist speaker or read socialist literature?

Third, don't definitions ordinarily use specific language to aid in distinguishing between the subject being defined and others? This definition uses two generic terms that create a global umbrella that might include entirely disparate entities. In one case, third world dictatorships are the subject of this definition. The former Soviet Union comes to mind in this regard. In other cases the definition is used to describe first world countries, such as the United States, when its political state attempts to save capitalism's financial and automotive industries from collapse. To some degree this a disingenuous effort to hide capitalism's increasing weaknesses and present its problems as consequent to socialistic intrusions into what it likes to call its "market system."

However, the problem seems to run deeper. Many political observers readily see that the influence of over ten thousand lobbyists coupled with the corporate sponsorship of so many political campaigns that the federal government is now called corporate state. While it should not and for the most part does not surprise anyone that corporate-sponsored officeholders would act to protect their benefactors, these acts are

still described and received as socialism. This means that otherwise informed people adhere to conflicting beliefs. The corporate state cannot be rescuing corporations and also be socialist. Certainly, not if socialism requires the replacement of capitalism. This circumstance of subscribing to or believing conflicting ideas at the same time is called cognitive dissonance.

With these intellectual hurdles in mind socialists might well be served to keep their explanation of socialism focused on a description of the modern working class, its current economic role and its potential for reshaping the future. Admittedly most interactions do not provide much time to explain a great deal on the subject but I like to describe socialism as an industrial democracy, an economic organization, not a political one. I explain that an industrial democracy cannot be established in a third world country and that while capitalism has provided industrial development this in turn demands commensurate working class development. Today we have engineers, scientists, designers, research and development workers, educators, equipment and power grid operators, construction, transportation and communication workers as well as health and many other skilled and unskilled workers. Consequently, today's industrial development and production is accomplished almost exclusively by working class people. Since workers are already organized on the job, albeit for other people's purposes, they can certainly re-organize on the job for their own purposes.

Perhaps the other comrades could describe their experiences in responding to the government run economy definition and how they attempt to make the concept of industrial democracy clear to others.

Tea Party: Reactionary or Revolutionary?

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from behind this Tea Party movement from the start, the Koch financial empire had an army of political activists with an agenda, which opposed government laws and regulations, which set some limits on practices that cause air pollution.

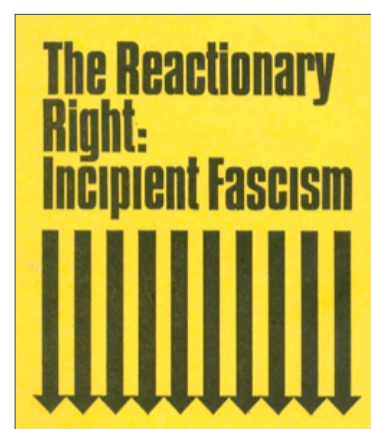
This Tea Party program is called "anti-Obama" or "anti-big government," but, in reality, the aim is to stop the government from reining in the worst abuses and most dangerous practices of individual capitalists or sectors of the capitalist economy. The state, as the "executive committee of the capitalist class," mediates disputes among more specific capitalist interests and also determines what may be in the general interests of the capitalist system as a whole. Thus the production or use of carcinogens, such as formaldehyde, may be deemed harmful to other sectors of the economy, such as imposing a greater burden on the health care industry. Likewise laws and regulations setting some limits on air pollution may not be good for the bottom line of Koch businesses, but this may aid the tourist sector and the related hotel and restaurant industries, which lose business from too much air and water pollution. Thus some capitalist interests may oppose this Tea Party for various reasons. But the huge amounts of money poured into the Tea Party over a period of years gives these Tea Party financiers more power than other reformist movements,

which are here today and gone tomorrow.

Another reason why this Tea Party is important for all workers in the United States is that these Tea Party groups attract and include some of the most reactionary and repressive elements of capitalist rule. For example, on August 15, 2010, www.azfamily.com and AP reported that over 400 people attended a United Border Coalition's Tea Party rally close to the Arizona-Mexican border in support of S.B. 1070. Leading the parade of "who's who of conservative Arizonans" at this gathering were Arizona State Senator Russell Pearce and Maricopa County Sheriff Joe Arpaio. Pearce was the "primary sponsor" and writer of this immigration bill. Private prison firms and other powerful capitalist interests were behind S.B. 1070, along with neo-Nazis and other terrorist groups with racist doctrines. (See *SLP Newsletter*, September-October 2010) S.B.1070 could also increase the number of undocumented workers from Mexico, who are imprisoned in the Maricopa County jail, which Arpaio seems to regard as his own fiefdom. According to *Time* magazine (Oct. 13, 2009), Arpaio set up the notorious "tent city" for Maricopa County prisoners, where he admitted that some prisoners were housed in temperatures as high as 138 degrees. Amnesty International and other human rights groups have condemned the conditions in prisons in Arpaio's jurisdiction. Arpaio claims that

these conditions have saved the government money. This may win him some support among Tea Party groups. But reportedly Arpaio's actions have led to "thousands of lawsuits," which could cost the government as much as "\$43 million in lawsuit settlements and expenses."

In general, this Tea Party movement portends more hardships, a more hazardous environment, and ruthless repression for American workers and for foreign workers in the United States. As long as capitalism exists, there will be more Kochs, Pearces, and Arpaios, who either create or use "grass roots" movements like the Tea Party. There will also be an endless parade of capitalist reformers, who try to get workers sucked into their anti-Tea Party movements, in order to divert workers from a genuine revolutionary Socialist movement for workers ownership and control of the tools of production.



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Japan's Nuclear Catastrophe And the Energy Crisis

By Bernard Bortnick

AS the nuclear reactor horror unfolds at the Fukushima Daiichi plant in coastal northeast Japan, atomic experts have yet to come to grips with the magnitude of the six-reactor disaster and the measures necessary to avert further contamination and catastrophe.

Accompanying their efforts is a chorus of commentary emanating from a range of sources—those who warn of the continued dangers of creating greater reliance on nuclear energy and their opponents, who insist that it is the only possible practical source of “clean” energy.

Nowhere to be found is anyone raising the question of why there is an energy crisis in the first place? Fact is that under the capitalist system the energy needed to power, heat and cool is produced as a commodity. Moreover, it is produced primarily by one set of capitalist owners to be sold to another set of capitalist owners.

It is with energy as it is with every other commodity: The first aim is to produce a market that consumes endless amounts of whatever the commodity happens to be, which in turn garners

rising profits. And should there be the slightest sag in the sale of that commodity, should the market seem to be straining its limits, a campaign blitz to encourage expansion of the commodity's consumption is in the offing.

Take a drive through any American city at nighttime to see the most exaggerated example of what a maverick economist titled “conspicuous consumption”—unnecessary illumination everywhere. The advertising industry is a notorious waster of electrical energy, from the proliferate billboards, illuminated signs, over-lighted streets and buildings, sprawling over every major street, to the theatrical spectacle of “Times Square” and its innumerable if less bombastic copies throughout the country. Add to this, industrial enterprises grinding out their own wasteful or useless commodities, be they what they may, and you have the foundations of an “energy crisis” with acres of talking heads confounded by how to relieve it.

The “energy crisis” is an artificial and unnecessary one. Capitalism created it by its often redundant and unnecessary—sometimes even directly antisocial—production of commodities that

periodically flood markets to overflowing and result in enormous amounts of waste, not only of energy and other resources, but also of human lives.

Capitalism also hinders efforts to develop new sources of clean and efficient energy on the colossal scale needed to render the old sources as outmoded and unprofitable. While oil companies and automakers advertise themselves as committed to developing the new and fazing out or reducing dependency on the old, diverting the capital needed to hasten their development is tempered by the fear of reducing profits in the here and now. Developing cars and trucks that consume less gasoline per mile stems more from a desire to prolong the life expectancy of oilfields than from any concern over the environment.

Only socialist society, founded upon the principles of production for use and social ownership of the means of production and distribution can solve the energy crisis by, in the most simplified terms, “turning off the lights.” Only then will all of those renewable sources of energy begin to make sense and conceivably become the primary source of energy.

Earthquake . . .

(Continued from page 1)

Indeed, the Chernobyl-sized nuclear disaster currently unfolding at Tokyo Electric Company's Fukushima Daiichi plant in coastal Northeast Japan took the full brunt of the double-whammy 9.0 earthquake and tsunami. This plant, following a 1960s-era General Electric design, was built in 1972—and built in accordance with their proposed methods of shielding the highly radioactive contents. These included the active fuel rods as well as the spent rods, which are equally as dangerous.

Spent nuclear fuel rods are housed above the shielded chamber to produce the heat that generates the steam that runs the turbines. Surrounding them is a heavy concrete lid that also forms the roof. G.E.'s design produced skepticism and criticism from engineers and physicists who warned of safety problems in its initial stages of design and construction. As it turned out, multiple reactors of that design were built at the Fukushima site. There are 23 reactors with the same containment design in 16 plants in the U.S., alone.

When the 9-point Richter scale temblor hit the site, the complex survived that event only to be overcome by a gigantic Tsunami, which hit shortly after, at which time the plant was inundated and the water pumps circulating coolant within both the reactors and within the spent fuel rod chambers crashed.

The emergency generators used to supply electricity to keep the plants in operation went out of service.

The official death toll from Japan's March 11 earthquake and tsunami stands at 9,700 and is certain to grow as more names are added to those of 16,500 now listed as missing. Survivors whose homes have been destroyed are living in makeshift shelters with insufficient water, food, and clothing for their needs. Whole seashore towns have been wiped out.

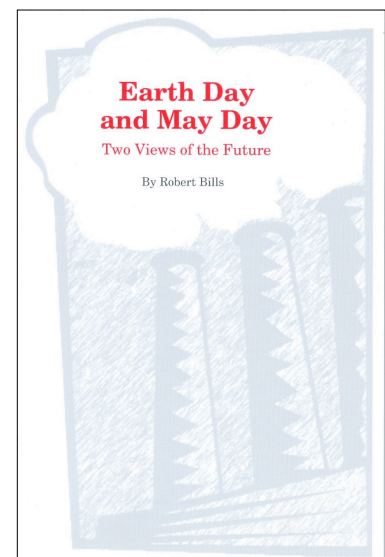
Meanwhile, radiation contamination is widespread within the region and throughout central Japan—levels now officially acknowledged as dangerous to the population.

Skeptics of socialism, even those who understand that term as SLP members and sympathizers do, may wonder how a society based upon industrial constituencies, social ownership, and production for use would respond to natural disasters of the magnitude that struck Japan? Reasoning from the guiding principles that would govern socialism, we may anticipate that disassembling capitalism would involve a dramatic reduction in the energy requirements of cities and the rise of new types of communities away from dangerous locations. Socialism likely would mean ending reliance upon nuclear and carbon-based energy sources in favor of solar, wind and thermal. It likely would

mean a gradual reduction in population concentrations, some of which now reach into the tens of millions. It likely would mean large-scale land recovery and reforestation, and myriads other ecologically related actions.

Socialism could no more reduce the number and ferocity of earthquakes, tsunamis, and other natural disasters than capitalism can, but it will do an infinitely better job of mitigating their impact human populations than can ever be expected from profit-driven capitalism.

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Why U.S. and NATO Support ‘Independent’ Kosovo

“The English economist, T.J. Dunning, stated with witty profundity that, with a 300 per cent profit in sight, there is no crime at which capital will scruple, nor a risk it will not run, even to the chance of its owner being hanged.”

—From Daniel De Leon, *Woman’s Suffrage*

By Diane Secor

HAS the “sight” of vast profits seduced the United States and NATO to support an “independent” Kosovo and to enable the proliferation of gangsterism and terrorism in the Balkans?

To recap the chronology: In the late 1990’s, U.S. intelligence agencies armed and trained the Kosovo Liberation Army (KLA), the ethnic Albanian separatists in Kosovo, a province of Serbia, which was the dominant republic in the former Yugoslavia. After this training in the summer of 1998, the KLA marched in to “destabilize” Kosovo with tactics, such as the assassination of Serb mayors and attacks on law enforcement officers, according to James Bissett, who was Canada’s ambassador to Yugoslavia, Bulgaria and Albania from 1990–1992. (National Post, Nov. 13, 2001) In the spring of 1999, the U.S. and NATO launched an air war against Serbia, with KLA attacks on Kosovo Serb targets on the ground, ostensibly to save the Kosovo Albanians from “ethnic cleansing” by the Serbs. In June 1999, NATO’s war against Serbia ended. A United Nations administration was set up to govern Kosovo. The KLA was organized into a Kosovo Protection Force with Kosovo under NATO-dominated KFOR military occupation. With the power of NATO behind them, in February 2008, KLA leaders officially declared Kosovo’s independence from Serbia, and KLA commander Hashim Thaçi became the prime minister of this new nation. The United States and other Western imperialist powers have made it clear that Thaçi is their man.

The Council of Europe is now confronted with a documented report by Dick Marty,¹ which nails Thaçi as a ringleader in a notorious Albanian mafia arms, drugs, and human organs trafficking operation before and during the Kosovo war from 1998–1999. This was during the timeframe when the U.S. and NATO provided Thaçi and his KLA with training, arms, and financing. According to the U.K. Guardian (Jan. 24), the Marty report states that the KLA killed their Serb prisoners and sold their organs on the black market. This organ harvesting was part of a lucrative Albanian mob operation. Moreover, the Guardian reported that secret NATO

documents show that the Western intelligence agencies, who threw their might behind the KLA, have known since the late 1990’s that Thaçi has been one of the “biggest fish” in these Albanian underworld rackets. Thaçi’s close connections to these gangsters was reportedly through Xhavit Haliti, who was the KLA’s “head of logistics” and who now serves as a close “political and financial adviser” to Prime Minister Thaçi. The Western nations also cannot claim ignorance of the crimes of the KLA because Haliti has been black-listed in the United States and other nations, which means that he has to travel with a false passport. Indeed, in his National Post article, Bissett reported that in 1998, the U.S. State Department classified the KLA as a “terrorist organization,” which was bank-rolled by heroin trafficking and by terrorist “godfather” Osama Bin Laden. Bin Laden’s Al Qaeda network was allegedly behind the Sept. 11, 2001, terrorist attacks on the Pentagon and the New York World Trade Center, which killed about 3,000 people.

Thus allies like the KLA can be a “wild card” or unreliable to say the least. Why would the United States and other NATO powers take such enormous risks? Substantial material interests are at stake and these KLA leaders are deemed useful in upholding these Western capitalist interests in the Balkans.

Some powerful international capitalist financiers and investors planted their seeds with Thaçi and his KLA commanders in the late 1990’s, and they have now returned to Kosovo to reap the harvest. According to a reported posted on digitaljournal.com (Nov. 10, 2010), Secretary of State Hillary Clinton, international billionaire financier George Soros, and a New York-based Albanian billionaire Sahit Muja have schemed to get their hands on Kosovo’s coal reserves, estimated to be worth over 300 billion dollars. Thaçi’s government has reportedly assured Clinton that American corporations will be the chief beneficiaries of Kosovo’s coal wealth. Of course, her husband, Bill Clinton, just happened to be president of the United States during the Kosovo war. Muja and agents for Soros reportedly visited Kosovo five times last year seeking lucrative deals in the coal sector. Kosovo’s coal reserves with over 15 billion tons of lignite are projected to be of great value in feeding power plants to provide electricity for Kosovo and the region. As CEO of Albanian Minerals, Muja no doubt has designs on Kosovo’s mineral resources, which also includes lead, chrome, zinc, gold, silver, copper, nickel, etc. Not surprisingly, a Serb TV station (Kosova Crisis Center, April 17, 1999) found evidence of Soros’ Open Society Foundation providing financial and military aid to the KLA during the 1999 Kosovo war.

Likewise the Serbian consulate in New York issued a press release on July 22, 2009, about Muja’s shipment of weapons to Adem Jashari and other KLA commanders. This press release also suggested that Muja had used his wealth and American political connections to help the Kosovo Albanian separatists.

Other powerful material interests revolve around the construction of the Albanian Macedonian Bulgarian Oil (AMBO) pipeline and the defense of this pipeline route. This is part of a larger plan to transport oil from the Caspian Sea region to the Bulgarian Black Sea port of Burgas, through the Balkans, and on to Western markets. According to Alfred John Mendes (globalresearch.ca, July 29, 2003), in 1996, the U.S. Trade & Development Agency gave the AMBO corporation control over this pipeline through this area called Corridor 8. Former Vice-President Dick Cheney was CEO of Halliburton in the 1990’s, when this firm’s subsidiary Brown & Root landed the TDA contract to conduct the feasibility study for this AMBO pipeline. Then, in January 1997, a Brown & Root Director of Oil & Gas Development, Edward Ferguson, became President and CEO of the AMBO Corporation. Other U.S. firms, which acquired a stake in the AMBO project, included White & Case, which handled the “legal aspects.” Bill Clinton joined White & Case, after lost the 2000 presidential election

Mendes also reported that Brown & Root was awarded the U.S. military contract to build the \$36.6 million Camp Bondsteel, a major U.S. military installation. The AMBO pipeline route does not run through Kosovo. but the location of Bondsteel does suggest that this base has been used to ensure U.S.-NATO control of this pipeline route via the Albanian KLA. Bondsteel is located in Gnjilane county in Kosovo near the Macedonian border. This AMBO and Corridor 8 infrastructure links Macedonia with Albania. After the 1999 NATO war against Serbia, the KLA became the dominant political and paramilitary force in the Gnjilane area. U.S. troops at Bondsteel did nothing to restrain hundreds of KLA guerrillas from attacking Macedonia, which also has an ethnic Albanian minority. In fact, according to Bissett’s report, German reporters discovered that 17 American military “advisors” were with these KLA guerrillas at Aracinovo, Macedonia. Vehicles from Camp Bondsteel also arrived on the scene to transport these KLA guerrillas to a safe place, when they were pursued by the Macedonian army. Bissett also stated that Ukraine was Macedonia’s only source of military aid. In August 2001 President Bush’s National Security Advisor Condoleezza Rice pressured Ukraine to cut off this aid, while the Bush administra-

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¹ [Dick Marty of Switzerland is a “member of the Parliamentary Assembly of the Council of Europe where he is a member of the Monitoring Committee, and second vice-chairperson of the Political Affairs Committee, with further positions in several subcommittees. . . . On December 14, 2010, Marty passed a report for adoption to the Council of Europe alleging inhuman treatment of people and killing of the prisoners with the purpose of removal and illicit trafficking in human organs in Kosovo involving Kosovo prime minister and former Kosovo Liberation Army political leader Hashim Thaçi.”—Wikipedia.]

Libya—

Another War Over Oil Or ‘Humanitarian’ Intervention?

By Diane Secor

ON March 28, President Obama announced that he had obtained a U.N. Security Council resolution to establish a “no-fly zone” in Libya. He said that enforcement of this “no-fly zone” had become a NATO operation, with the United States in a “supporting role.” Obama denied that the purpose of this U.S.-NATO military force was “regime change,” but admitted that his administration no longer recognizes Qaddafi’s regime as “legitimate” and that the U.S. is demanding that Qaddafi “step down.”

So, then, is this U.S.-NATO military intervention in Libya a “humanitarian” mission to save the people of Libya from the evil Qaddafi? Or is this another war about clashing material interests, more specifically about oil?

The history of U.S.-Libyan relations offers some clues. According to CNN.com (June 28, 2004), during the 1960’s and 1970’s, U.S. oil corporations, such as Occidental, Exxon Mobil (formerly Esso and Mobil in Libya), ConocoPhillips, Amerada Hess, and Marathon, transformed Libya into an “oil powerhouse” of North Africa. Libya was a key link in Occidental’s Armand Hammer’s global empire. Qaddafi’s own top officials, such as Libyan National Oil Corp. chairperson Abdulla Salem El-Badri and Prime Minister Ghanem, were trained in the United States and seemed to develop close personal ties to America’s oil industry.

This picture changed in the 1980’s during the Reagan administration when the U.S. had a serious falling out with Qaddafi’s regime. Reagan bombed Tripoli in 1986 and called Qaddafi the “mad dog of the Middle East.” Libya was labeled as a “rogue state” and a “sponsor of terrorism,” and the U.S. imposed sanctions on Libya in 1986. These U.S. firms officially left Libya.

However, all American capitalists did not totally abandon their Libyan business partners. For example, some American companies continued to sell oil parts to Libya through their European subsidiaries or through various third parties. General Electric routed transactions to Libya through their Italian subsidiary Nuovo Pignone. These sanctions lasted 18 years, until 2004, when the George W. Bush administration decided that Qaddafi was someone who the U.S. could do business with.

Libyan Prime Minister Ghanem seemed elated that his U.S. oil business partners were “coming back home.” Thus in 2004, the Libyan “black gold rush” brought Occidental and other U.S. firms back to this “powerhouse,” which they had created. But these American corporations seemed to expect that the “high risks” involved in renewing their Libyan investments entitled them to make more lucrative profits. If Qaddafi was eager to get a bigger piece of the pie for himself and his cronies, he and American oil firms were headed for a

clash after the initial “homecoming” euphoria.

A February U.S. Department of Energy, EIA (Energy Information Administration) report confirms that the U.S. sanctions against Libya were lifted in 2004. In 2006, the U.S., during the G.W. Bush administration, officially took Libya off the “state sponsors of terrorism” list. This enabled U.S. oil corporations to increase their investments in Libyan oil exploration and production. Since 2004, Libya had imported more oil to the United States.

For the first two years of his administration, Obama continued these policies toward Qaddafi’s regime. Then why the sudden change in policy around the end of February or March this year with Obama’s Reagan-era rhetoric, with a U.S.-NATO air war on Libya in coordination with CIA aid to rebels, who are fighting Qaddafi?

This February EIA report suggests that U.S., British, French, and other Western European firms may have had disputes with the Qaddafi regime on the terms of these oil agreements. According to the EIA, the government-owned Libyan National Oil Corporation was in charge of negotiating Exploration and Production Sharing Agreements (EPSA) with international oil companies (IOCs), such as Eni, Total (of France), Repsol YPF, StatoilHydro, Occidental, OMV, ConocoPhillips, Hess, Marathon, Shell, British Petroleum, and ExxonMobil. The Libyan regime reduced IOC production shares in 2005 and demanded other concessions, which cut the IOC’s “share of output” by as much as one-half in some cases. Evidently, these foreign oil firms had not been able to get better deals from the Libyan government.

Then, on March 1, *The New York Times* reported that tensions between Qaddafi and the Western powers escalated. Secretary of State Hillary Clinton, British Prime Minister David Cameron, and French Prime Minister Francois Fillon, the leading NATO powers, declared that Qaddafi must step down immediately.

At that juncture, oil corporations estimated that anti-Qaddafi insurgents actually controlled about 80 per cent of all of Libya’s oil. Much of the fighting was taking place in Benghazi and in order to capture the oil refinery at Ras Lanuf. During these and other battles, the insurgents were reportedly aid by the CIA and by British intelligence on the ground and by U.S. air strikes on Qaddafi’s forces.

The March 31 *New York Times* article revealed that “several weeks” earlier, Obama had ordered CIA support for these rebel forces. Also British special forces and MI6 officers were collecting intelligence on Qaddafi’s forces, arms depots, and missile installations to help direct the air attacks. Moreover Obama’s March 28 speech had specifically referred to the U.S. and U.S. allies saving the people of Benghazi from a

“massacre” by Qaddafi’s troops.

On March 22, according to Bloomberg, anti-Qaddafi rebels based in Benghazi just happened to announce that their Transitional National Council established a new national Libyan oil company, which would replace the National Oil Corporation controlled by Qaddafi’s regime. The Council also “designated the Central Bank of Benghazi as a monetary authority competent in monetary policies in Libya and the appointment of a governor to the Central Bank of Libya, with a temporary headquarters in Benghazi.” Such structures seem to resemble a defacto Libyan government intended to replace Qaddafi’s regime. Of course, such a governing entity with its own oil company, would never have existed without covert Western logistical support, the protection of U.S. and NATO air forces, and other aid from imperialist powers.

The Obama administration claims that this U.S. military intervention in Libya is limited in scope. The outcome of this operation remains to be seen. But American workers will recall that during the Clinton administration in the 1990’s that “no-fly zones” were set up in Iraq to defend CIA-backed insurgents, who fought Saddam Hussein. When these actions were deemed insufficient to uphold U.S. oil and strategic interests, U.S. military involvement escalated. The 1999 NATO air war against Yugoslavia also set a precedent for NATO military intervention in non-member states as a means for Western capitalists to get access to valuable raw materials and strategic oil pipeline routes. (See April 2011 SLP *Newsletter*)

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tion seemed to use diplomatic pressure to force Macedonia to give in to the demands of the Albanian KLA. Secretary-General of NATO, Lord Robertson, lauded this arrangement, which obviously extended the regional might of the KLA honchos.

KLA leaders, with the Albanian mafia, have actually acted as the enforcers for Western imperialism. Since February 2008, with the consummation of an “independent” Kosovo, Camp Bondsteel has thus been conveniently located in a country governed by the “enforcers” of U.S. and NATO control of the region. The lure of enormous profits from Kosovo’s mineral resources and Kosovo’s strategic location in the global race to control Caspian oil explains why these ruling classes would take the risks of getting tangled up with the Albanian underworld with international terrorist connections. This is only one chapter in the historical record of capitalist rule, where in hot pursuit of higher profits, capitalists commit or use those who commit the most heinous crimes.