

Letters from our readers

4 January 2011

On “The attack on press freedom in Hungary”

Recently I was listening to Kossuth Radio (the Hungarian equivalent of the BBC) and the program host announced the coming media restrictions. He then paused for a full minute of complete silence, saying this would take the place of the editorial comments he would have otherwise made.

My parents had to leave Hungary in 1956. Over the years I’ve often found it difficult to explain that event to people on the ‘left’, especially in the light of recent phony ‘colour revolutions’ in other parts of Eastern Europe, not to mention that people there now do not have anything approaching the levels of health care, education or social services they had prior to 1990. These were not the things they thought they were going to lose after the Soviet tanks left...

KV

British Columbia, Canada
30 December 2010

On “Falsifying history and repudiating democratic rights: Floyd Abrams’ attack on WikiLeaks”

This is by far the best article on the ongoing controversy regarding the rights of WikiLeaks, the rights of Julian Assange, and the right (and duty) of the press and of free speech. Thank you for helping me make my (unrelenting) argumentation on this primordial issue much stronger. WSWS is a formidable publication.

Fred L

Connecticut, USA
31 December 2010

On “New York City services come to a halt after blizzard”

Regarding the cuts that helped create the snow storm “disaster” in New York City, I spoke to a Sanitation Department worker who was having to stop his snow plow truck at every corner to dig a path with a hand shovel through the snow piled at the sidewalk curbs. Although shoveling sidewalks are the responsibility of building owners, they are not responsible for shoveling paths into the street (which means that people had to climb over high snowbanks at bus stops, too). He explained that there were no smaller shoveling machines to cut quickly through the curbside

snow banks, that “I am the machine”.

He also said that it used to be that when he stopped his truck to go for lunch for a half hour, another driver would immediately get in and drive the truck. Now with the cutbacks in the work force, the truck sits there during the lunch break.

Thousands of jobs should have been created to do the basic maintenance and infrastructure support and building. That would, however, run counter to the way New York City functions as a financial center of the world—as with all governments under capitalism—to make a small group richer at the expense of everyone else.

HL

New York City, USA
30 December 2010

Thank you for your articles on the collapse of all services in the face of one snowstorm in New York. Mayor Bloomberg is best described as *criminally insane* and so is the entire capitalist class and their system, capitalism. This should be stated frequently in all such articles.

Capitalism is Criminally Insane
30 December 2010

On “The East Coast blizzard of 2010: One traveler’s experience”

I work for Amtrak and have to say your article was very interesting. I worked as an usher in D.C. and had trains arriving late from down south or from the west quite often. Amtrak only owns the property on the Northeast Corridor (Boston to D.C.) and Philly to Harrisburg line. Everything else is owned by the freight lines. I think the long distance trains originating out of NYC are made up at the Sunnyside Yard, which is located in Queens. This North American communist who is also a bit of a rail buff appreciates your article on the struggles at Amtrak.

John

Delaware, USA
31 December 2010

On “US foreclosures soar, housing prices slump”

Patrick, while your article was excellent as always, and shocking, I don't think anyone yet has addressed the biggest shock—even Greenspan's feigned "shock" before Congress.

The underlying truth seems to be that those "toxic assets" which our treasury has now paid many trillions for were not just 'toxic assets', but actually 'fraudulent assets'—as in, there were never any real real estate mortgages behind most of the volume of CDOs.

A lot, a very lot, of the CDOs and other supposedly 'toxic assets' were not backed up by anything—not sub-prime loans, not liar loans, not Ninja loans (no income, no job, no asset mortgages), not anything but pure fraud; i.e., they were made up of no real house or real estate, they were just 'made-up'.

This can easily be proven by comparing the total of negative externality costs dumped on the US treasury (approximately \$17T) with the maximum cost of any real foreclosures on the 10 percent of US properties that foreclosed, and taking into account the fact that even in a foreclosure the remaining value of the home is approximately 50 percent.

Calculating this maximal cost of foreclosures, we come up with less than \$2T losses for the banks on their supposedly 'toxic assets', whereas they claimed to need and actually received over \$17T to be made whole.

Thus the banksters have collected \$17T on maximum audited losses of only \$2T in their claimed 'toxic asset' mortgage backed CDOs. Therefore, those 'toxic assets' were actually worse than 'toxic'—they were outright 'fraudulent assets'; they were made-up of pure air!

Patrick, using your own figures herein, that 5.5 million properties will be foreclosed on, if we take a price per home of an unrealistically high \$1M (to make the math easy), and assume that all houses had NO residual value at all, that would only come to \$5.5T—while the banks extracted \$17T from Treasury.

Either all those 5.5 million homes were the mansions of hedge fund managers and private equity pirates, or someone seems to be fraudulently looting the public till!

Alan M
Maine, USA
31 December 2010

On "Commodity price surge sets stage for global food crisis in new year"

Dear Mr. Grey:

What I observe is that speculators first moved into junk stocks in the 1980s as Michael Milkin pointed out the so-called benefits of

bundling risky investments based on their historic default rates. Then, they moved into the Internet with the Dot.com boom. When that went bust, they moved into mortgages, using the same misconception that justified

the junk stocks, bundling them and claiming that based on historic data they were less risky. Now, they are moving into commodities, which will collapse no doubt for the same reasons all the other speculations were ill-founded.

All of which brings me back to Lenin's *Imperialism: The Highest Stage of Capitalism*. I suspect the rise of finance capital is intimately tied to the relative decline of manufacturing companies. As those companies face ever greater competition, they are no longer able to generate sufficient profits, turning to finance capital to juice demand and pay for new capital outlays. The political implication is that finance capital becomes an ever larger part of the economy and its interests become intimately involved in governmental policy both domestically and internationally, tying it to another wasteful process, the military-industrial complex.

Is it any surprise then that capitalism engages in conflicts to master control over oil... the fuel needed for the expansion of suburban consumption and, not insignificantly, the stuff armies need to assure troop movements and their logistical support around the world? I think there much more going on here than simply the availability of cheap money.

Ted M
31 December 2010

On "150 years ago: The election of Abraham Lincoln touches off secession crisis"

This is an excellent article. I for one would love to see many more articles of its kind. Historical articles provided the fundamental basis upon which Marxism rests and creating a detailed analysis of the historical background is superior to summarizing some of the final points that a Marxist would make after doing the background work and then incorporating those final points into an analysis of contemporary events. Such a tactic leaves the reader clutching a hollow, argument which under weight of any knowledgeable attack must eventually collapse. This is why I firmly support historical articles such as this one.

Sincerely yours,

Oliver C
30 December 2010



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