

This week in history: September 21-27

21 September 2015

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25 years ago: US tensions mount over war, budget deadlines

Twenty-five years ago this week, the administration of George H. W. Bush headed into twin crises over the US budget deficit and the preparations for war in the Persian Gulf. The US was plunging into a recession, threatening mass unemployment and the pauperization of millions of workers, while the Democratic Party-controlled Congress was deadlocked with the White House over the federal budget.

The political flashpoint in the onslaught on the working class was the impending deadline for the imposition of automatic budget cuts under the Gramm-Rudman-Hollings Act. Thousands of federal employers demonstrated outside government buildings across the country September 26, protesting plans to furlough workers or compel them to work without pay.

Politicians of both parties agreed that the working class must pay for the financial crisis through the destruction of social programs, whether through the \$50 billion in cuts being negotiated in the bipartisan budget summit or by means of the across-the-board cuts decreed by the Gramm-Rudman-Hollings Act.

Federal Reserve chief Alan Greenspan warned Congress that the deadlock with the White House over the budget had to be overcome. Economic indicators revealed that the US faced its worst crisis since the end of World War II. Greenspan argued that the Federal Reserve was unable to ease interest rates because of the growing threat of uncontrolled inflation, unless Congress resolved its differences with the Bush administration on the budget and commit to slashing \$500 billion from the federal deficit over the next five years.

Despite the fall in industrial output, the rate of inflation rose rapidly. Consumer prices increased by 0.8 percent in August, equal to an annual inflation rate of 6.2 percent, which was well above the official rate of 4.6 percent in 1989. The media reported that Wall Street was rife with rumors about the imminent collapse of banks, real estate empires and other business institutions that feasted on the massive paper profits produced by speculation during the previous decade. Chase

Manhattan's stock closed at a 12-year low on the day of Greenspan's testimony amidst "unconfirmed reports" that the bank had difficulty obtaining loans to cover its obligations.

The war buildup in the Persian Gulf took place under economic and social conditions entirely different than those which existed in all the other wars fought by the United States earlier in the century. For the first time in the twentieth century, the United States was conducting a war as an indebted nation, lacking the financial resources to pay for the cost of its military operations.

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50 years ago: Aden declared British crown colony

On September 26, 1965, British imperialism deposed the government of Aden and reimposed direct colonial rule over the tiny protectorate at the southern tip of the Arabian Peninsula, which is now part of Yemen.

The Labour Party government of Prime Minister Harold Wilson carried out the action in an attempt to crush a growing Arab nationalist movement in the city, the site of a key military base guarding the entrance to the Red Sea. The formal order suspending the constitution of Aden was signed by Queen Elizabeth at Balmoral, her castle in Scotland.

With the announcement came the imposition of an 8 p.m. to 5 a.m. curfew throughout the colony. A few hours after the signing of the order dismissing the members of the Aden council, a gun battle broke out between British troops and Arab nationalists near the colony's main police headquarters.

Britain justified the crackdown by claiming Aden Chief Minister Abdul Qawee Mackawee with supporting the growth of "Nasserite terrorism," manufacturing the charge that the Aden Legislative Council had endorsed the assassination of British administrators and businessmen living in the colony. The British further charged that the government of Aden had obstructed constitutional talks in London, which aimed at creating the framework for establishing a stable client bourgeois regime that would safeguard imperialist interests following the granting of formal independence. The Labour government was outraged by the opposition expressed by Mackawee to the continued presence of British military forces

in the strategically important area.

Aden was the largest city in the British-controlled South Arabian Federation, including the recently created states of South Yemen and North Yemen. The crisis revealed the strong sentiment growing among the oppressed masses throughout the region against the continuation of direct imperialist domination.

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75 years ago: Japan invades Indochina

On September 23, 1940, Japanese military forces invaded French Indochina, including present-day Vietnam, on the pretense that the French colonial governor had obstructed them from occupying Tonkin Province, as agreed in an accord between Japan and the Vichy government of France. While the occupation was to have been peaceful, Japanese officers opened fire on French forces as they moved in. The French resistance quickly collapsed.

The invasion was launched as Japan increased its demands for control of airfields and the right to station larger contingents of troops in Indochina. Japan required Tonkin Province, which bordered southern China, to cut off supply routes to China and as a staging ground for launching further attacks to subjugate the whole of the country to Japanese imperialism.

The Japanese also sought to secure Indochina's surpluses of rice and raw materials. Previously the United States and Britain had competed with Japan as recipients of Indochina's rice, tin and rubber.

The occupation also served as a stepping stone to domination of the Dutch East Indies, where Japan was presently demanding 40 percent of the region's crude oil reserves as it prepared to wean itself from dependence on US oil.

The French, Dutch and British colonial powers, which were either already defeated or under siege by Hitler's blitzkrieg in Europe, attempted to appease Japan so as to hold onto their colonies. Meanwhile US imperialism prepared to unleash full-scale trade war against Japan to serve notice it would wage war to defend its economic interests in East Asia.

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100 years ago: Battle of Loos begins on the Western Front

On September 25, 1915, the British army tried to break through German lines on the Gohelle plain near the village of Loos. It was part of a broader push by the French and British allies which also involved a major French offensive in the region of Champagne. The Battle of Loos was the largest battle

by British forces on the Western front during 1915.

It was also the first in which the British used poison gas as part of their battle strategy, releasing 140,000 kg of chlorine gas close to German lines at the beginning of the attack. While the gas did cause a number of German casualties, the wind changed direction and it also resulted in significant British casualties.

The British committed six divisions numbering 75,000 soldiers on the first day of the attack in a bid to defeat the Germans through numerical superiority. Lack of artillery ammunition for the initial shelling of the German trenches meant that the British forces came under heavy fire as they crossed the open ground.

The German defensive positions remained strong due to the lack of heavy shelling and while there was some small success in breaking through the German lines on the first day of the battle, a delay in the arrival of reinforcements for the British meant that the positions won could not be held and after three days the British retreated to their former lines.

The Battle of Loos continued until October 14, with the Germans successfully repelling the Allied offensive. It resulted in the deaths of tens of thousands of young men, with over 59,000 casualties among the British forces. More than 20 percent of the total number of British casualties on the Western Front in 1915 happened during the Battle of Loos. Some 26,000 German soldiers also lost their lives. Approximately 20,000 soldiers killed in this battle have no known grave, their bodies never recovered.

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