This week in history: January 22-28

22 January 2018

25 Years Ago | 50 Years Ago | 75 Years Ago | 100 Years Ago

25 years ago: US corporations slash 110,000 jobs

Major US corporations eliminated 110,000 jobs this week in 1993—the first year of Bill Clinton's presidency.

Department store chain Sears led the way with 50,000 layoffs, which included mass firings at its Chicago headquarters, as well as retail store closures across the country. It was followed by three aerospace and defense giants: Boeing, with 30,000 job cuts concentrated at its Seattle base of operations; Pratt & Whitney with 10,500 firings in Connecticut and Florida; and McDonnell Douglas, with 10,100 jobs axed in southern California and St. Louis. Ten other firms announced layoffs of between 300 and 2,200.

Clinton, who won office by appealing to anger at years of pro-corporate policies under Ronald Reagan and George H.W. Bush, made no criticism of the mass layoffs, and neither did the federation of American trade unions, the AFL-CIO. Wall Street welcomed the layoffs, sending Sears stock to a 52-week high the day after its announcement. Federal Reserve Chief Alan Greenspan declared that the recession of the early 1990s was in abatement. And the *New York Times*, commenting on the week's sackings, wrote of the emergence of a new economy, in which "the notion that a person stays with a single company for decades, remaining loyal and receiving job security and ample benefits in return, is essentially a big company concept which is dying."

The *Bulletin*, American forerunner of the *World Socialist Web Site*, identified the underlying logic of this "new economy":

"The development of globally-integrated economy allows the capitalists to shift production from country to country, seeking the cheapest labor and the most profitable conditions to exploit it. In every country, the capitalists are driven by the logic of their own system to slash wages and demand that 'their' workers become competitive against the workers of other countries. This process leads inevitably to the reduction of the living standards of the working class all over the world to the lowest possible level.

"New developments in technology, such as computerization and the microchip, which carry with them the possibility of a vast increase in mankind's welfare, are instead put to use to destroy jobs and further impoverish the people."

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50 years ago: US spy ship seized in North Korean waters

On January 23, 1968, an American spy ship, the *USS Pueblo*, was seized in or near North Korean waters. Eighty-two crew members were taken prisoner and held for nearly a year, while one was killed in the initial exchange of fire with North Korean forces. Pyongyang insisted that the *Pueblo* had entered its territorial waters, and that similar violations had occurred repeatedly.

The 82 US crew members, who claimed that they were tortured by North Korean security forces, were released 11 months later in exchange for an admission of US fault in the affair and a promise that it would not continue to spy. Immediately after securing the soldiers' release the Johnson administration abrogated its admission of guilt.

The seizure of the *Pueblo* came three days after a raid by North Korean commandos across the Demilitarized Zone, evidently targeting for assassination South Korean dictator Park Chung-hee.

The tensions on the Korean Peninsula were part of a protracted period of growing hostilities commenced by the American decision, in 1957, to station nuclear weapons in South Korea in violation of Paragraph 13(d) of the Korean War armistice, which stated neither side would introduce new weapons to the peninsula. The American nuclear arsenal in South Korea was capable of striking either China or the Soviet Union.

The *Pueblo* incident also came at the height of the Vietnam War, with the Stalinist regime of Kim Il-sung,

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which supported North Vietnam, calculating that the US was not prepared to instigate a full-on war simultaneously in Korea.

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75 years ago: Imperialist horse-trading at Casablanca

On January 24, 1943, British, French and American leaders concluded a major summit in North Africa, at Casablanca, Morocco. The meeting failed to resolve national antagonisms between the three imperialist powers.

During the course of 10 days of discussion, US President Franklin Roosevelt and British Prime Minister Winston Churchill were unable to overcome the bitter rivalry between two hostile factions of the French ruling elite. The divisions were principally between General Henri Giraud, backed by the fascist Vichy capitalists who had collaborated with Hitler and now sought to join the Allies, and General Charles De Gaulle, who wanted to remove the Vichy collaborators in order to prevent socialist revolution in France.

Roosevelt wanted to dismember the French empire to the benefit of US imperialism. He had also demanded the permanent cession of strategic bases in the French African and Asian colonies, which would assist the US in establishing itself as the world's policeman. De Gaulle had refused to surrender any territory. The French fascists, who were losing the war, consented to US policy, so Roosevelt made Giraud his puppet in North Africa.

Up until Casablanca, Churchill had backed De Gaulle and fought to maintain the French Empire. He hoped to use France as an ally against the US, to prevent Roosevelt from loosening British control over its colonies in a postwar carve-up. Roosevelt, attempting to break the deadlock, offered Britain strategically located French bases that would allow it to defend its colonies, on the proviso that Churchill would exert pressure to subordinate De Gaulle to Giraud.

De Gaulle, using careful diplomatic language, rejected the deal and publicly exposed Roosevelt's support of the French fascists. The American press sharply attacked Roosevelt's policies, reflecting fears that his sordid maneuvers would damage the standing of US capitalism on the world arena. A number of publications warned that the US backing of fascists would inflame class struggles, with one stating that the policy would "make communists in the occupied territories faster than the Comintern."

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100 years ago: Wartime strikes in Germany, Austria; insurrection in Finland

On January 24, 1918, in the midst of World War I, strikes in Berlin by thousands of workers shut down the Daimler, Boersig Ludwig and General Electric works. The industrial suburbs of Lichterfelde, Heringsdorf and Johannisthal, where electric works and airplane factories were located, were particularly hard hit. The mining district in the Ruhr area was affected and workers in the torpedo factory at Kiel were also on strike. The strikes broke out independently of the trade unions leaders and right-wing Social Democrats, who opposed any action by the working class during wartime.

The workers, including many women workers, walked out to demand food and an end to the war. In response to the strike movement, the government threatened to arrest six leaders of the centrist Independent Socialists. Field Marshal von Hindenburg issued a statement to the strikers, declaring: "Every hour you lose means the weakening of Germany's defense. You are committing a crime against our army and an act of cowardice against your brethren in the front trenches."

Austrian workers in massive numbers had walked out in mid-January in connection with the Brest-Litovsk peace talks with the new Bolshevik government in Russia. The slogans of the strikers were for the conclusion of a general peace and food for the workers. In Vienna, Budapest and other cities, Soviets of Workers Deputies arose spontaneously, but the Social Democrats assumed control of them and used them to suppress the mass movement.

A state of insurrection existed in Finland as of the middle of January. The uprising began in the southern industrial part of the country in a number of major centers—Helsingfors, Vyborg and others. On January 28, the Finnish Red Guards occupied the capital, and a day later, a revolutionary government was established, known as the Council of People's Representatives. A bitter three-month civil war ensued.

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