

This week in history: June 9-15

This column profiles important historical events which took place during this week, 25 years ago, 50 years ago, 75 years ago and 100 years ago

8 June 2025

25 years ago: Chancellor Gerhard Schröder welcomes Putin in Germany

On June 14, 2000, Russian President Vladimir Putin visited Germany to rebuild economic and political relations between the two countries. Relations had soured in response to Germany's involvement in the breakup of Yugoslavia.

"Germany is, and will remain, our leading partner in Europe and the world," Putin stated. German Federal Chancellor Gerhard Schröder declared a "comprehensive new beginning based on common interests" and called for a "strategic partnership" to modernize the Russian economy. The German press celebrated Putin's visit. Typical headlines gushed about "Putin the German" or "The second German-speaking Russian leader after Lenin." Putin had lived in East Germany as an agent of the KGB, spoke the language, and had had his children schooled in Germany.

German companies demanded a further opening of the post-Soviet economy, coded in the language of ridding Russia of "insurmountable bureaucratic obstacles" and building a "Western-style market economy." German finance capital would flow into joint ventures with Russian firms. The German Winterjall AG gas company and the Russian Gazprom corporation, for instance, planned to explore natural gas in polar regions. The German government further agreed to reoffer its Hermes credit guarantees for export deals between German and Russian companies, and extended coverage by a further one billion marks. The Hermes guarantees had been cancelled in the fall of 1998 because of Russian non-payment amidst the financial crisis it suffered that year.

Military defense, NATO expansion and the international anti-ballistic missile (ABM) system were pressing items in the Berlin-Moscow relationship, and were closely watched by Washington. Putin and the Russian oligarchy, believing the imperialist powers would welcome Russia as friends or collaborators after the dissolution of the Soviet Union, endeavored to counter the US-proposed Ballistic Missile Defense (BMD) system with the ABM to "protect" all of Europe. The BMD threatened the Kremlin's nuclear arsenal's effectiveness and therefore reduced its push for great power politics vis-a-vis the former Soviet republics, which were being courted by Washington and NATO.

Germany intended to pursue its own nationalist interests, despite membership in NATO, and at that point backed cooperation with

Russia. Chancellor Schröder said Putin's ABM proposal "deserve[d] thorough consideration." He added that the security of Europe had to involve Russia.

50 years ago: New York City bankers impose 'Big MAC' financial dictatorship

On June 10, 1975, the New York State legislature established the Municipal Assistance Corporation (MAC), a measure cynically promoted as a "bailout" for New York City. The budget crisis was in fact created by and then seized upon by the big banks as the pretext for a massive assault on jobs and public services of millions of workers in order to transfer that wealth into the hands of finance capital.

The city faced imminent default on \$792 million in short-term loans due June 11. Its total outstanding debts had climbed to over \$11 billion with a \$2 billion annual debt servicing burden.

MAC aimed to impose a permanent austerity regime outside the control of any democratic process and to that end debt service to bankers, rather than public need, became the overriding priority of city finances. The city's vital sales tax and stock transfer tax revenues were to be funneled directly into the Municipal Assistance Fund to service MAC debts, explicitly preventing the city from using its own income to cover payroll, operating expenses or any other debts. A MAC governing board, dominated by unelected appointees from Wall Street, was granted veto power over every city budget and the city was compelled to adopt MAC-approved accounting practices. A ceiling on all future short-term borrowing was also imposed.

Critically, the bankers offered no guarantee to purchase all the bonds MAC would issue, keeping the city in a perpetual state of "budget crisis" and thereby retaining continuous leverage to impose new conditions at any time.

MAC was a savage offensive against New York municipal employees, among the most militant sections of the American working class. Mayor Abraham Beame, acting on the bankers' instructions, unleashed a wave of layoffs. On June 6, 1975, over 9,000 city workers were already fired, and a total of 31,000 layoffs were expected by June 30. As many as 50,000 jobs were eliminated in the months following the establishment of MAC. Alongside the firings were

devastating cuts to hospitals, schools, day care centers and other essential services won through decades of struggle.

In the face of this onslaught, city union leaders totally capitulated to MAC and assisted in imposing the cuts on the working class. Rather than fighting back by organizing a city-wide strike, the union leaders would transfer hundreds of millions of dollars from workers' pension funds into buying MAC bonds.

The US predecessor of the Socialist Equality Party, the Workers League, fought for a program of class struggle to answer the MAC financial dictatorship. It called for an "emergency congress of labor" to prepare for "general strike action to shut down the city." This fight was to be linked to the construction of an independent "labor party committed to defending the interests of the working people ... with a program of socialist policies." This included demands for "full employment, nationalization of the major industries and the banks without compensation under workers control," and the "30 hour week at 40 hours pay." The Workers League called for committees to be elected in every workplace to prepare the strike.

75 years ago: Prison sentences begin for two members of the "Hollywood Ten"

On June 9, 1950, American screenwriters Dalton Trumbo and John Howard Lawson began their year-long prison sentences after being convicted of contempt of Congress. The two, part of a group of blacklisted film directors and writers who became known as the "Hollywood Ten," were targeted for their affiliation to the Communist Party USA (CPUSA) in the midst of the McCarthy-era crackdown on socialist opposition.

Trumbo, a screenwriter and novelist, joined the Communist Party in 1943, while Lawson, a screenwriter and co-founder of the Screen Writers Guild (SWG), had joined earlier, in 1934. A week after the two were sentenced by a federal court to one year in prison and a \$1,000 fine, both Trumbo and Lawson were taken to Washington DC to serve their prison sentences.

The charges originated from hearings conducted in late 1947 by the House Committee on Un-American Activities (HUAC). The ostensible purpose of these hearings was to investigate the alleged "communist influence" and "subversive elements" within the US film industry. In September of that year, 11 individuals: writers, directors and producers, were called to testify before the HUAC. With the exception of playwright Bertolt Brecht, who testified that he had never been a member of the CPUSA before returning to Europe, the remaining 10 refused to answer questions about their alleged membership in either the SWG or the CPUSA, which led to all being charged with contempt of Congress.

After an unsuccessful appeal to the US Supreme Court, Trumbo and Lawson spent 11 and 12 months, respectively, in prison. These were the first two prison sentences of the "Hollywood Ten," and in the following months the remaining eight were sentenced to prison terms ranging from six months to a year.

The jailing of the Hollywood Ten, as well as the blacklisting of hundreds of other writers, directors and actors throughout the 1950s, was part of the McCarthyite anti-communist witch-hunt occurring throughout the United States. The imprisonment of Trumbo and Lawson followed less than a month after the beginning of the

12-month prison sentence of Eugene Dennis, general secretary of the CPUSA, also charged with contempt of Congress for refusing to testify before the HUAC. The government's campaign of persecution, far from limited to the Stalinist CPUSA, aimed to stamp out growing left-wing and socialist opposition that had emerged before, during and after World War II.

100 years: First exhibition of *Neue Sachlichkeit* artists in Mannheim

On June 14, 1925, the Städtische Kunsthalle in the southwestern German city of Mannheim sponsored the first exhibition of artists belonging to what has come to be called the *Neue Sachlichkeit* or New Objectivity movement.

Titled "Neue Sachlichkeit. Deutsche Malerei seit dem Expressionismus" ("Neue Sachlichkeit. German Painting Since Expressionism"), the show featured artists such as Max Beckmann, Otto Dix, Georg Grosz, Christian Schad, Rudolf Schlichter, Georg Scholz and Jeanne Mammen, some of the defining figures of German art in the tumultuous years of the Weimar Republic (1918-1933) after Germany's defeat in the First World War and before the seizure of power by Hitler and the Nazis.

The term *Neue Sachlichkeit*, also translated as, "New Matter-of-Factness," "New Resignation," "New Sobriety," coined by the director of the Städtische Kunsthalle Gustav Friedrich Hartlaub, represented a reaction to the prevailing Expressionism of the period, which had more subjective and romantic themes. Although there were various tendencies within the movement, the WSWS has noted, on the whole, it looked toward "a revived realism and the need for political and social engagement."

George Grosz in 1925 co-authored an article manifesto, "Art is Danger," that gave expression to these sentiments. The artist, it read, "even if he neither wants nor knows it lives in a constant interrelationship with the public and with society. He cannot escape the laws which govern their development, especially not today when these laws are determined by class struggle."

Not all the artists at the exhibition would completely agree with this formulation, but the New Objectivity was born in a world in which Marxism and the German working class had an outsized presence in society and culture. George Grosz, Rudolf Schlichter and Jeanne Mammen were all members of the German Communist Party at this period.

As a tendency, *Neue Sachlichkeit* produced some of the most significant and enduring art of the 20th century.



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