

Editorial

## Stop Paying the Rich!

On January 29, 2004 Stelco, Canada's largest steel manufacturer, filed for bankruptcy protection under the Companies Creditors Arrangement Act (CCAA), citing a \$1.3 billion debt to the workers' pension fund as the cause of its insolvency. Despite the fact that Stelco was still able to meet its other debt payments, the courts granted it protection, accepting Stelco's assurances that the company would be out of money by the fall of 2004. During 2004 several companies vied to buy Stelco, including Deutsche Bank, Sheritt International and Severstal, a Russian steel manufacturer. However, soaring steel prices put Stelco into a highly profitable position and it rejected all of the buyout bids. By March 2005 steel prices had dropped by 50 percent, Stelco's profits had fallen and it was once again looking for a saviour.

This spring Brascan Corporation made a proposal through its restructuring branch Tricap Management to bail out Stelco. It proposed to put \$500 million into Stelco's pension fund. This proposal was rejected by Stelco management, its bondholders and the union representing the workers at Stelco's Hilton works in Hamilton. A mediator was appointed, but talks broke down on June 24 and a stalemate has existed ever since.

The workers at Stelco have been waging a determined struggle in defence of their jobs and their pensions, including demanding protection of workers' pension funds in the event of corporate bankruptcies. As a result of their struggle the Ontario government has rescinded the right of large companies like Stelco to defer payments to employee pension funds. The

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## France is Burning

The French government declared a 12-day state of emergency on November 8, enacting a 50 year-old-law to impose curfews throughout the suburbs, or cités, and give police sweeping powers to detain, arrest and imprison those suspected of participating in, or inciting others to participate in, the riots which have swept the country for the past three weeks. Thousands of additional police, including the infamous riot division known as the CRS, have been deployed since the state of emergency was declared, arresting close to 500 people in less than a week and bringing to 1,500 the total number arrested since the riots began.

The emergency law imposed by the French government was first enacted in 1955 during the uprising of the Algerian people against France's

colonial occupation and was applied in both Algeria and France in an unsuccessful attempt to quell the national struggle of the Algerian people. Today the law is being used against the children and grandchildren of immigrants from Algeria and other Northern African and Middle Eastern countries. These youth are almost all second or third-generation French citizens, yet they have been treated as second-class citizens within France for decades.

Immediately after the riots broke out, triggered by the deaths of two youth who, fleeing police, were killed when they tried to scale an electric fence, it became very clear that the accusations of racism and exclusion which have been levelled against the French state by French citizens of African and Middle Eastern descent are justified. Police claimed they

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# Thomas d'Aquino Sets the Record Straight on Canadian Economic Policy

Thomas d'Aquino, Chief Executive and President of the Canadian Council of Chief Executives (CCCE) issued a press release on October 14, 2005 entitled "CCCE Strongly Rejects Linkage Between Softwood Lumber and Energy". In this statement, which is reprinted below, he states that the Canadian economic elite supports NAFTA, notwithstanding the softwood lumber dispute, and that even though it will pursue economic opportunities with China and India, its strategic alliance is with the United States.

On the one hand, the statement seems to be setting the record straight on behalf of Paul Martin. On the other hand, the statement contains advice for the federal and other levels of government stating that: "The role of governments is and should be to enhance opportunities for trade rather than to play one market off against another." In other words, this is a warning not to play around with the US-Canada economic, political and military alliance.

## **CCCE Strongly Rejects Linkage Between Softwood Lumber and Energy (CCCE Press Release – October 14, 2005)**

*Earlier this month, the Prime Minister delivered a speech to the Economic Club of New York in which he warned that the U.S. Administration's approach to the softwood lumber dispute brings into question the integrity of the North American Free Trade Agreement (NAFTA) and threatens to set back the bilateral relationship.*

*The Prime Minister's message was clear and unequivocal. Regrettably, in the days since his speech, political spin has obscured the substance of his remarks. Anyone who was not present for his speech – I was there – would be forgiven for thinking that the Prime Minister had directly linked the softwood lumber issue to trade in energy. Media coverage has focused on the idea that Canada might retaliate against the United States by somehow limiting American access to Canadian energy. It has further been suggested that the government's efforts to promote stronger trade and investment ties with China are in fact aimed at punishing the United States over softwood.*

*Both of these suggestions are ridiculous. Regardless of how others may have interpreted*

*his remarks in New York, the Prime Minister in no way linked softwood lumber with energy. The two issues are separate, and the Canadian Council of Chief Executives (CCCE) unreservedly condemns any effort from any quarter to make such a linkage. Such a step would fly in the face of NAFTA obligations, economic realities and Canada's national interests. Furthermore, it would make progress on the softwood dispute even more difficult. In any event, it must not be forgotten that sales of Canadian resources are determined by commercial arrangements undertaken by Canadian companies. The role of governments is and should be to enhance opportunities for trade rather than to play one market off against another.*

*The CCCE fully supports the government's efforts to find a solution to the softwood lumber dispute. As we said in a major policy statement last month, "We must not let this single dispute distract us from the main challenge, that of building a safer and more competitive North America within a transforming global economy."*

## Discussion

# Geopolitics in Central and East Asia

In late October and early November, three meetings took place - one in Moscow, one in Washington, and one in Beijing - that reflect the growing tension in Central and East Asia. The first was the expanded meeting in Moscow of the Shanghai Cooperation Organization. The second was the meeting in Washington of the “2 + 2” Japan-US Security Consultation Committee. The third was the tenth regular meeting in Beijing of the prime ministers of Russia and China.

For the working class and people of all countries, these meetings are a warning. The imperialists are sharpening their swords to fight each other and collaborating with one another to suppress the just struggles of the peoples for their economic, political and social rights.

The end of the bipolar division of the world that occurred with the collapse of the Soviet Union has been characterized by an increasing number of civil wars most notably in Asia, Europe and Africa. It has also been characterized by an increasing belligerency by the remaining superpower, the United States, including aggressions against Yugoslavia, Afghanistan and Iraq. Thus, the trend in the world is not towards “peace”. For these reasons, *Modern Communism* is presenting the following analysis as a contribution to the discussion of the emerging trends in the world today.

## Moscow

On October 26, 2005 a regular meeting of the council of the heads of government of the Shanghai Cooperation Organization (SCO) took place in Moscow. In attendance were the member countries of Kazakhstan, China, Kyrgystan, Russia, Tajikistan and Uzbekistan. For the first time representatives of SCO observer states India, Iran, Mongolia and Pakistan took part in this event. Russian President Vladimir Putin received the heads of delegations. The communiqué issued by the council stated that since the previous meeting one year ago “interaction in the SCO framework had developed a new dynamic, the SCO’s international authority had become much stronger, the international community had been showing much greater interest in the organization.” The council agreed to step up the development of cooperation on economy and trade, as well as the improvement of investment climate, placing particular importance and urgency on establishing cooperation in exploration of oil and gas deposits, construction of oil and gas

pipelines, as well as on interaction in the field of modern information and telecommunication technology. The communiqué noted the considerable progress being made on customs cooperation. “It recognized the expediency of speeding up the process of finalising and signing the draft Agreement between the SCO member states on cooperation and mutual assistance in the area of customs by the next meeting.”

The SCO was founded on June 15, 2001 by the six countries. Its member states cover an area of over 30 million square kilometres, or about three-fifths of Eurasia, with a population of 1.455 billion, or about one quarter of the world’s total population. Its predecessor, known as the Shanghai Five, comprised of China, Russia, Kazakhstan, Kyrgystan and Tajikistan, was established in 1996 on the basis of the “Treaty on Deepening Military Trust in Border Regions” and the “Treaty on Reduction of Military Forces in Border Regions”. According to its charter the purposes of the SCO are: “strengthening mutual trust and good-neighbourliness and friendship among member states; developing their effective cooperation in political affairs, the economy and trade, science and technology, culture, education, energy, transportation, environmental protection and other fields; working together to maintain regional peace, security and stability; and promoting the creation of a new international political and economic order featuring democracy, justice and rationality.”

## Washington

On October 29, the Japan-US “2+2” Security Consultation Committee held a meeting in Washington which reached an agreement on the adjustment of U.S. troops stationed in Japan and the share of duties between Japan’s Self-Defence Forces and US troops. It released a report entitled “US-Japan Alliance: for Future Reforms and Regrouping.” One aspect of the agreement is to accelerate Japan-US military integration and enhance joint combat capability. A Japan-US joint combat command post will be established at the Yokota Airport, where the U.S. Fifth Air Force headquarters of the U.S. army is now located, and the aviation headquarters of Japan’s Self-Defence Forces will be moved there. U.S. troop facilities in Japan will now be shared by both countries. A second aspect of the agreement is to shift some of the U.S. marine corps from Okinawa to

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Guam to increase the capability and flexibility of U.S. troops in the area under its jurisdiction from the Pacific to the Indian ocean. A third aspect of the agreement is to substantially upgrade Japan's military role in the U.S. Asian strategy. Japan and the United States will strengthen cooperation in a dozen or so fields such as anti-aircraft, ballistic missile defence, anti-proliferation and counter-terrorism. This will allow Japan to upgrade its military position and role in regional and global military affairs.

### **Beijing**

On November 4, 2005, China and Russia issued a joint communique in Beijing, pledging to further their strategic cooperation and partnership in various fields. The communique was signed at the tenth regular meeting between Chinese Premier Wen Jiabao and Russian Prime Minister Mikhail Yefimovich Fradkov. During Fradkov's stay in China, he met with Chinese President Hu Jintao and reviewed the implementation of the Sino-Russian Good-Neighbourly Treaty of Friendship and Cooperation, approved by the heads of the state of the two countries in 2004, as well as exchanged views on deepening of strategic cooperation, on strengthening of cooperation in politics, economy, trade, energy, science, technology and culture, on bilateral relations and other international and regional issues of common concern. Eleven documents were signed by the two prime ministers at this meeting. Chinese President Hu Jintao called for more and better cooperation between China and Russia in order to enhance their strategic and cooperative partnership. The two countries agreed to continue the demarcation work in the remaining section along the eastern border. They affirmed their support for the Russian and Chinese companies that are working to lay out and build an oil pipeline from Russia to China, and they encouraged Russian and Chinese oil and gas companies to carry out cooperation in various forms including joint ventures in order to advance oil prospecting and processing, and the implementation of the gas transmission project from eastern Siberia and the Far East to China. According to *Xinhua News* the two countries pledged to strengthen their cooperation in fighting "terrorists, extremists, separatists, and criminal activities involving transnational organized crime and the illegal trafficking of arms, drug crimes, organized illegal migration". The two countries also stressed their determination to push forward "multipolarization" and "democratization" in international relations.

### **US-Japan Alliance**

The United States is adjusting its arrangements with Japan so that Japan's military can play a larger role in U.S. strategy in east Asia. The United States and a section of Japan's ruling class would like to restore Japan's military power in the region to ensure that the US-Japan sphere of influence is protected and expanded. They are threatened by the rising economic and political influence of China, as well as by the economic power of the Republic of Korea and its reluctance to blindly follow U.S. policy with respect to the Democratic Republic of Korea.

Japan's post-war constitution renounced the use of force and forbade Japan from maintaining a military force. The United States and Japan subsequently re-interpreted this to allow for a Japanese Self-Defence Force. In 1992 the law was further re-interpreted to allow Japanese troops to join United Nations and relief work overseas. In 2003 the law was again amended to allow troops to go to "non-combat zones" in Iraq. This is the first time that Japanese forces have been sent to a country still in conflict. But the Japanese government's aspirations for its military do not end there. A draft proposal by the country's ruling Liberal Democratic Party made a number of proposals including that their military engage in "collective self-defence-shooting" to protect their allies as well as themselves.

Japan's Prime Minister Junichiro Koizumi has provoked the neighbouring Asian peoples by visiting the Yasukuni Shrine in Tokyo. The shrine honours 14 Class-A Japanese war criminals from World War II, as well as 2.5 million common soldiers, and it is the spiritual pillar of Japanese militarism. China estimates that 30 million of its citizens were killed as a result of Japan's military aggression and many more millions of Koreans and other peoples died as a consequence of Japanese aggression. Koizumi has made five visits to the shrine since he took office in April 2001, with the last one being on October 17, 2005. Official protests by China and the Republic of Korea have been ignored by Prime Minister Koizumi who says his visits are all made in a private capacity. The former Prime Minister of the Republic of Korea Kim Dae-jung exposed this logic when he recommended that Japanese officials, who want to honour their dead in a "private way", should visit memorials that do not honour war criminals.

The United States considers that Asia belongs to it. Instead of withdrawing its military and other presence

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from east Asia, which would contribute to the easing of tensions, it continues to stir up trouble in order to preserve and expand its influence in the region. At the end of the Second World War, the United States assumed military control over Japan. It occupied South Korea, led a brutal aggression against North Korea, and partitioned the country. Since that time it has opposed and obstructed the reconciliation and reunification of north and south, and more recently has used the nuclear issue to threaten the Democratic Peoples Republic of Korea.

The United States also intervened in the civil war in China on the side of Chiang Kai-Shek and the Kuomintang, established a military base on Taiwan, as well as placed its Seventh Fleet in the Straits of Taiwan, which effectively divided Taiwan from the rest of China. Initially the United States openly supported a “two China” policy, but since 1972 it has paid lip service to a “one China” policy, even though it has continued to sell arms to Taiwan, openly supported those forces in Taiwan pushing for political independence and stood in the way of the peaceful reunification of the province of Taiwan with the rest of China.

### **China-Russia Alliance**

China considers that “peace and development” are the main trends in the world, which is to say, that peace with its neighbours will favour its economic development. Therefore, China wants good relations with Japan, but it is unable to reach an agreement with Japan over control of offshore oil and gas resources. Furthermore, it is vehemently opposed to the revival of Japanese militarism by Japan’s ruling class and its refusal to condemn the war crimes of Japan against Asian countries. China also wants good relations with the United States including military cooperation, but the United States continues to strengthen its military alliance with Japan and to block the resolution of the Taiwan question.

China considers “hegemonism and terrorism” as the stumbling block in the way of “peace and development”. It considers that the hegemonism of the U.S. and Japan is a threat to its security, and has formed a strategic partnership with Russia. It has helped to establish a new economic, political and military alliance comprised of six countries in central Asia, the Shanghai Cooperation Organization (SCO), with Russia and China at its centre, to combat “hegemonism and terrorism”. It is also trying to expand this alliance to include India, Iran, Mongolia and Pakistan. All of the member countries of the SCO

are confronted with “separatist” and “secessionist” movements in their territories. However, instead of addressing the economic, social and political problems in their countries, they are co-operating with each other to enforce “law and order”. The focus of their attack is on “Islamic fundamentalism” which they claim is the source of the separatist and secessionist movements.

China wants a partnership with Russia for two main reasons. It requires a secure source of oil and gas for its growing economy. However, it does not want to depend on oil and gas imported along sea routes because it does not have a strong enough navy to fight the United States for control of sea routes, nor does it want a conflict with other countries over this issue. Therefore, next to developing its own oil and gas reserves, it prefers a strategic partnership with Russia to develop an overland pipeline supply of oil and gas. Secondly, China wants to equip the People’s Liberation Army with the most advanced military equipment. Both the United States and the European Union have a blockade in place against China for these goods. Therefore, China is relying on Russia for this equipment.

For its part, Russia wants to regain the superpower status that it lost with the collapse of the Soviet Union. This is what it means when it talks about “multipolarization” and “democratization” of international relations. The United States and the European Union have not given Russia a significant role in the world since the collapse of the Soviet Union. It is looking for other avenues to regain that lost status. It considers that the former republics of the Soviet Union, what it calls its “near abroad”, belong to it. It does not want to lose control of the former republics in central Asia to the sphere of influence of the United States, as it lost control in eastern and southern Europe. It also wants to regain the dominant position it once held in various markets such as India.

Russia views the SCO as an instrument to maintain its sphere of influence in central Asia, as well as expanding it to other parts of Asia, including China, India and Iran, and as a means of strengthening its position internationally in alliance with China and other emerging regional powers. It is using its wealth in energy resources, as well as its military industry, to achieve these aims. Russia is one of the world’s most important energy supplier and the second largest arms exporter after the United States. It is financing its own economic development by these means and considers China an important market for its oil and gas, as well as arms.

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## **World Trends**

In east Asia, the United States is holding several lighted matches to the region, one of which is Korea and the other is Taiwan. If it serves their interests it is not beyond the United States to try to ignite the flames of war over one or another of these “hot spots”. One can never forget that U.S. imperialism did not hesitate to drop two atomic bombs on the civilian population of Japan. One can never forget what they did in Indochina or what they are doing now in Iraq.

If by “peace” the Chinese leaders mean the progress that China has made in sorting out its border and other disputes with Russia, India, Vietnam and other of its neighbours, then it is true to say that China’s relations with its neighbours have been characterized by a growing “peace”. If the resolution of these disputes is on the basis of respect for each other’s sovereignty, and is not aimed at undermining the sovereignty of other countries, then one must applaud China’s efforts in this direction.

If by “peace” the Chinese leaders mean the convergence of interests among the big powers, or groupings of the big powers, then this kind of peace means the perpetuation of the old order and carries within it the seeds of inter-imperialist war. This kind of “peace” means that the big powers will divide up the world peacefully for a certain period of time, until one or another of them, or groups of them, tries to conquer their competitors.

Will Russia, for example, contribute to what the SCO declares as one of its aims - a new international political and economic order featuring democracy, justice and rationality? What has changed in Russia to change it from an imperialist power to a peace-loving country? The Russia of Putin will not contribute to a new political or economic order, at home or abroad, that features democracy, justice and rationality. It is a defender of the old order. Only a Russia under the rule of the workers and farmers will re-establish a Russia that is not a threat to its neighbours.

The trend in the world is also not towards “development” that favours the working class and people. China’s “development”, for instance, is characterized by a growth of industrialization, foreign trade and foreign investment on the basis of opening up of its market to international capital. In order to satisfy the demands of international capital, and encourage the development of capitalism in China, the Chinese government has privatized and restructured its state sector, and changed its laws in various ways, with the

result that hundreds of millions of people are without employment, social insurance, welfare, health care or access to education. In other words, a broad anti-social offensive has been underway against the Chinese working class and people, of the same calibre that capitalist governments have been carrying out against the people of other countries.

Thus, the trend led by imperialism is characterized by an anti-social offensive, by inter-imperialist rivalry and aggression. Another trend led by the working class and people of all countries is characterized by the struggle against the anti-social offensive, against aggression and imperialist war, for the all-round renewal of their countries, and for the democratization of international relations, by overthrowing imperialism and all exploiting systems, and building socialism and communism.

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threat by Stelco to slash existing and future pensions by over 50 percent has also been withdrawn. This struggle by the Stelco workers in defence of their rights has made an important contribution to the struggle for the rights of all Canadian workers.

Recently, a proposal to solve the company’s problems was made by the union representing Stelco’s Hamilton workers which suggests that Brascan’s offer be rejected in favour of a joint federal-provincial solution. The proposal asks the federal and Ontario governments to invest \$1 billion in Stelco with the same interest and fee structure as contained in the Brascan offer. The proposal adds a further proviso: that “all interest and fees paid to the government should be invested in social programs, acting as new social funding not supplanting previously committed funding for social programs.” The proposal suggests that the \$1 billion in government loans would pay in full all of Stelco’s creditors and stabilize the company. It also suggests that, in the event that Stelco once again slides into financial difficulties, the federal and provincial governments should declare a moratorium on interest payments.

There are a number of problems with this proposal. Everyone is aware of the record of the McGuinty, Harris and Rae governments of Ontario, as well as successive federal governments, in regard to cutting spending on social programs. To suggest that the Martin or McGuinty government will use the Stelco crisis to reverse that policy does not make sense. If the Ontario and federal governments were interested in increasing funding for social programs, would it not

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make more sense for them to spend the entire \$1 billion on social programs, rather than just the interest?

Furthermore, where would the federal and provincial governments get the \$1 billion in the first place? If they take the money out of existing social programs there will be a net negative effect as far as the Canadian people are concerned. If they borrow the money from the capitalist financiers, whatever interest they receive from Stelco will go directly to those financiers and will, therefore, not be available to fund social programs. The other option, of course, would be for the federal government to take the money out of its budgetary surplus, a surplus which was achieved by cutbacks to social programs during the 1990s, the expropriation of billions of dollars from the Employment Insurance (EI) fund and the slashing of EI benefits to unemployed workers. However, handing over a portion of that surplus to the finance capitalists holding Stelco's debt would actually undermine the struggle of the Canadian people for the restoration of funding to social programs. No matter how one looks at the matter, it is impossible to see how bailing out the Stelco capitalists can have anything but a negative effect on the funding of social programs.

It is being suggested that a government bailout of Stelco is justified because steelmaking is a core industry which is essential for a modern, independent economy and for nation-building. Apart from the obvious flaw in this reasoning – that Canada has never had an independent economy – this argument could be applied equally to many other sectors of industry. Transportation, communications, airlines and the petroleum industry are also core industries essential to a modern, independent economy and all of those industries are owned outright or controlled by foreign capital. Furthermore, there are many more companies which are or will be facing bankruptcy in the face of fierce international competition. In those cases, too, the unions are calling for government bailouts, insisting that their industry is crucial to the Canadian economy and that the jobs of their members are crucial to the economic wellbeing of their communities. Apart from the fact that every bailout of a failing company represents the transfer of money out of the pockets of working people and into the pockets of the rich, the history of government bailouts proves that they are not effective in protecting workers' jobs. Far from it, the government grants and loans have invariably been used to modernize technology and eliminate jobs.

It is also not clear how an influx of government money will actually solve Stelco's basic problem,

which is that it is facing intense competitive pressure from rival steelmakers in Asia and the United States. There is a suggestion that Stelco should forget about international markets and concentrate on the domestic market for steel. It is even being claimed that this would be an exercise in nation-building. But this ignores the fact that those steel companies which are driving Stelco out of foreign markets are also competing for business within Canada, because there is no such thing as an exclusively "domestic market" in the global economy. If Stelco cannot compete in U.S. markets, how can it compete in Canadian markets?

The problem is that as long as the Canadian economy is based on competing in the global market there will be winners and losers in this competition. Some of Canada's industries will be winners and some will be losers. The workers in the industries that are "winners" will retain their jobs but they will continue to be pressured to make one concession after another in their wages and working conditions to keep their capitalists competitive in the world market. The workers in the industries that are "losers" will lose their jobs, with the result that the competition for jobs with the "winners" will increase, and this competition among the workers will contribute to the further downward pressure on the wages and working conditions of the entire working class.

Making Stelco or any other of these large corporations competitive in the domestic or global markets is not the way forward for the Canadian working class. It may appear like a "quick fix" but it only perpetuates the same problem. The Canadian working class cannot accept this old arrangement as the be-all and end-all for themselves or for the rest of the Canadian people. The proposals to turn one or many industries from being "losers" into "winners" without eliminating the old arrangements will not change the status quo or build an economy that serves the interests of the Canadian working class and people.

There is no question that the working class must fight to defend their jobs and pensions. However, in waging these struggles the working class cannot lose sight of its strategic aim of eliminating wage slavery and building a socialist society. It must also lead the society to solve the immediate economic, political and social problems that face the entire Canadian people such as their political marginalization, the denial of human rights, the attacks on social programs, and the dangers of war. This is the alternative to the old arrangements. This task may be difficult, but it is not impossible.

were chasing the youth because they were criminals, although never provided any evidence to back up this claim. French Interior Minister Nicolas Sarkozy described the two as “delinquents” who fled the police because they were guilty of robbery and vandalism. During a television interview four days later he was forced to concede that neither had a criminal record. However, on November 3, after an internal investigation, the police officers involved in the chase were exonerated of any wrongdoing.

Sarkozy went on to speak at length about the need to rid the cités of “refuse, vermin who have no purpose but to destroy”. He also said the rioting was being incited by “foreigners” who were intent on destroying the French republic, and that they must be deported “without delay”. The fact is that by all accounts, the vast majority of those involved in the riots are French citizens, with the few who Sarkozy has already targeted for deportation youth having lived in France for most of their lives, although their families have not yet received citizenship.

These youth are the product of what the French government has euphemistically described as “sensitive urban zones” – 751 state-engineered enclaves which have become ghettos for those of North African descent. France encouraged mass immigration from North Africa starting in the 1950s, using those who arrived to drive down wages and working conditions. In order to house these newly-arrived workers quickly and cheaply French officials began building suburbs on the outskirts of large urban centres and settling new immigrants there.

The housing provided in the cités has never been adequate, with overcrowding and its endemic problems of crime and violence growing steadily. Studies done over the years have found the schools in these areas operate far below national standards, with a 40 per cent drop-out rate. While technically students could attend schools in other districts, in reality, transportation is quite limited, making it difficult for residents to leave. Cutbacks to social spending over the past two decades has also hit the

cités hardest, coming at a time when massive investments were required simply to keep existing housing stock, schools and public buildings from crumbling. In fact, cases of apartments and other buildings collapsing or being destroyed by fire have become common over the past five years.

Besides unemployment, underemployment is also a chronic problem, with those of North African descent constituting what one commentator recently described as a “janitorial class”. An experiment by the French organization SOS Racisme a few years ago demonstrated this clearly: students leaving French universities and colleges typically send out dozens of resumes to prospective employers. SOS Racisme worked with a group of students and had them each send out two resumes to each employer – one with a “French” sounding name and another with a “North African” sounding name. Employers were more than five times more likely to contact those with French sounding names.

However, instead of dealing with the social problems which have led to the rioting the French government has declared the only problem is one of law and order. In fact, the problems in the cités are an indictment of the French capitalist class and its government, which is unable to build a society which meets the needs of all French citizens.

## **Modern Communism**

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Editor: Ken Kalturnyk**

**To contact the Manitoba Branch of CPC(M-L):  
Fax: 477-6741  
Email: [mrc-cpcml@mts.net](mailto:mrc-cpcml@mts.net)  
Internet: [www.modern-communism.ca](http://www.modern-communism.ca)  
Produced by volunteer labour**