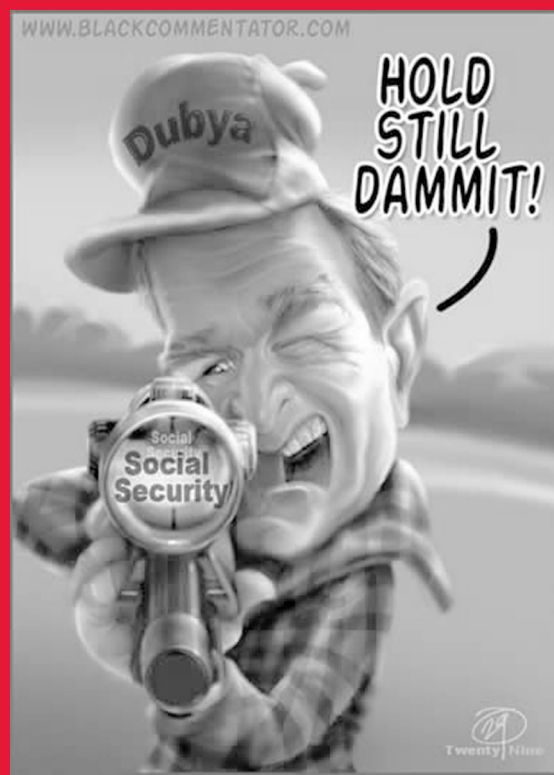




Democratic Socialists
of America



Saving Social Security —
special pull-out section

Coping with Corrupt Elections

Globalizing the Americas — West Coast Conference

and more

Resolution on Defending Social Security

George W. Bush's massive campaign to privatize social security must be turned back. His proposed new system would not provide "security" for its participants and would eliminate the "social" character from its structure. This right-wing attack on a cornerstone of New Deal legislation is not motivated by fiduciary concerns with an allegedly distressed federal program but by partisan politics and right-wing ideology. Gutting Social Security will be a giant step toward dismantling the entire structure of progressive U.S. government that was won over the past 100 years.

Even before the New Deal, measures to temper the dominance of corporate power were in play. Antitrust legislation, the progressive income tax, food safety regulations, protection and conservation of public lands were all valuable gains. We can be proud that even within corporate dominated U.S. capitalism, popular struggles have resulted in programs and institutions that work for the welfare and dignity of all people. The crowning achievement of these struggles, and the lynch pin of these institutions, is the Social Security System.

Those of us who know that government has a positive role to play in the well-being of the people have been dismayed at the wasting away of progressive government during the current conservative era. But the Bush assault on Social Security represents an all-out ideological assault on the very idea of a government operating for the public good. For this reason alone it is incumbent to draw the line and defend Social Security with all the resources and energy that we can muster.

Social Security represents a family pact between generations. It enables the parent to continue supporting the child even if the parent dies young; it helps the younger generation to share the burden of supporting their elderly parents. This pact must be honored.

Democratic Socialists of America therefore resolves to integrate the defense of Social Security into its national and local activities. We resolve to be part of the effort to educate the public about the success of the Social Security System, its still untapped potential as a model for other broad-based social welfare efforts, and the threat posed by the Bush privatization scheme. We will communicate with allies around the country and urge them to engage in educational activities, demonstrations, letter writing campaigns, and use all other feasible means to defend Social Security. In our activities we will be guided by the following basic principles:

- 1. Funding for the Social Security system is not in crisis.** Predictions of the finances of the system 40 years in the future are inherently uncertain. Under some assumptions for growth in the economy, demographic changes, etc., modest additional financing may be needed in the far future. Under other assumptions, the current financing arrangements are adequate into the indefinite future. Claims of an impending crisis or bankruptcy are either overstatements or lies made to generate public acceptance for dismantling a valuable and valued system.
- 2. The character of Social Security as a defined-benefit pension and insurance plan must not be changed.** It has provided generations of Americans with security in their old age, has made possible a productive life for countless people with disabilities, and provided income to survivors of prematurely deceased breadwinners.
- 3. Proposed changes in the financing of Social Security should lessen the unfair, regressive character of the existing payroll tax.** Such changes could include: increasing the wage cap; including unearned income in the tax; expanding coverage to sectors left out; and allowing greater flexibility in investing the Social Security trust fund to provide a higher rate of return.

passed by the National Political Committee, May 1, 2005

An Organizing Agenda for Progressives

Around the country, many progressive activists are asking themselves how to rebuild the progressive wing of the Democratic Party, and if they are not, they should be. Progressive Democrats of America, the grassroots activist network that emerged out of the Dean and Kucinich Campaigns, is one of several groups concerned with taking the party back from the pro-corporate Democratic Leadership Council. George Soros has promised to raise millions of dollars for new Washington-based institutions that will develop and market a progressive message, develop effective candidates, train organizers, and match the rightwing investment on college campuses.

But what about 2006? And where should progressive electoral activists focus their energy? How can we use the political process to demonstrate that progressive politics isn't the suicidal path that the Republican-lite folks say it is? That is precisely the challenge Allard Lowenstein solved in 1967 when he convinced Senator Eugene McCarthy to challenge Lyndon Johnson in the Democratic primaries. McCarthy demonstrated that anti-war politics could be winning politics and brought along Bobby Kennedy, not to mention hundreds of thousands of new political activists.

The 2004 primary election did re-energize the Democratic base and bought many new activists into the process. But where are the candidates, or, more precisely, where should we encourage progressives who also want to be office holders – and without a strong base among people who want to hold public office, we won't succeed – to put their energy? How can we teach all prospective candidates, not just progressives, that they need to pay attention to the progressive community?

One place to start is among the Democrats who have so bought into the Republican-lite nonsense that they actually vote for the worst Republican bills. Let's look at the House of Representatives. Seventy-three Democrats, including ten members of the Black Congressional Caucus and three members of the Progressive Caucus, voted for the Republican Bankruptcy Bill (otherwise

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Democratic Socialists of America share a vision of a humane international social order based on equitable distribution of resources, meaningful work, a healthy environment, sustainable growth, gender and racial equality, and non-oppressive relationships. Equality, solidarity, and democracy can only be achieved through international political and social cooperation aimed at ensuring that economic institutions benefit all people. We are dedicated to building truly international social movements – of unionists, environmentalists, feminists, and people of color – which together can elevate global justice over brutalizing global competition.

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DSA Western Regional Conference

by Herb Shore and Virginia Franco

Held in San Diego on March 5, the DSA Western Regional Conference involved morning and afternoon workshops plus an evening panel discussion. While the major themes of the conference were globalization, the Border Region, and the maquiladora industry, the workshops expanded on them to include the low wage economy and socialist organizing. The morning workshops emphasized internal questions, including DSA Local Development and dialog around cooperation between San Diego DSA and other members of the San Diego Socialist Unity Network. In the afternoon the workshops moved toward more general themes relating to the economy. DSA National Director Frank Llewellyn and San Francisco



Amelia Simpson of the Environmental Health Coalition.

National Political Committee (NPC) member Tim Sears presented an excellent workshop on Wal-Mart and the Low Wage Economy. San Diego DSAer Gregg Robinson led a workshop on Saving Social Security, presenting the facts to show that there is no crisis in Social Security. Finally, Amelia Simpson from the Environmental Health Coalition (EHC) presented a power point presentation on CAFTA and the Border Economy. This presentation emphasized the devastating impact NAFTA has had on both sides of the border, and made the case for organizing to prevent the extension of NAFTA-like free trade to Central America via CAFTA.

The highlight of the conference was an outstanding evening panel discussion on organizing around the maquiladora industry. Featured were well-known author, reporter and photographer David Bacon; Carmen Valadez from the Workers' Information Center (CITTAC), Tijuana, and the Colectiva Feminista Binacional; Enrique Davalos from CITTAC and the San Diego Maquiladora Workers' Solidarity Network (SDMWSN); and Teresa Loyola from the Tijuana

Women's Rights Advocates. Incidentally, San Diego DSA is a very active founding member of the SDMWSN. The panelists discussed the difficulties maquiladora workers



Journalist David Bacon.

have in trying to assert the labor rights supposedly guaranteed to them under Mexican law, the role that company unions play in suppressing attempts to organize genuine trade unions, and the additional problems women workers face due to sexual harassment, firing of pregnant women, and lack of concern for hazardous working conditions. A major conclusion of all the panelists was that U.S. allies can play a key role in publicizing and demonstrating against violations of labor rights in Mexico.

All in all, about eighty people attended one or more sessions of the conference, with a majority coming from the San Diego region. The conference was a big boost for San Diego local, as many of the participants gained a better appreciation of both local and national DSA's role as an important participant and leader in movements for social and economic justice. About eight DSA members actively participated in putting on the conference, and DSA's long-standing participation in the relevant movements led to the involvement of important speakers and leaders from them. The audience's participation in workshops and in the discussion following the panel presentations was a sign of their interest, thoughtfulness, and commitment and told us that the conference was a success.



Discussion group, including NPC members Herb Shore (second from left) and Tim Sears (third from right).

San Diego DSA members Herb Shore and Virginia Franco also serve on the National Political Committee.

Dealing with Corrupt Elections

Three DSA members who have been extremely active in combatting fraud in the 2004 elections explain the issues and what worked, in hopes of making our democracy more secure in the future.

From the U.S. to Ukraine to the U.S.S.R.: the laws of statistics do not change at the United States border

Ron Baiman, Chicago

Given the fiasco in Florida in 2000, the closeness and intensity of the 2004 presidential election, and the myriad blatant conflicts of interest during it, the mainstream media blackout on what has to be the central story of the 2004 Presidential Election – the massive and statistically impossible discrepancy between exit poll and reported election results – is a betrayal of the media's role in a democracy.

One report shows the probability of this discrepancy occurring by chance in Ohio is about one in 100, in Florida two in 100, in Pennsylvania one in 100, and all three discrepancies simultaneously about one in 660,000. Another early report pointed out the similarities between the recent fraudulent Ukrainian elections – which U.S. press and politicians couldn't write enough about – and the 2004 U.S. Presidential elections.

At this point we seemed to have moved from Ukraine to the U.S.S.R., from some hope of redress to burying the facts and re-writing history. In this *samizdat* we try to prevent this from happening again.

As of this writing, (1) There has been official acknowledgement that the exit polls clearly indicated that Kerry won Ohio and won the national popular vote; (2) the reported election results deviate from these exit poll results, specifically in the battleground states and in the national popular vote, by historically unprecedented and statistically highly significant gaps; and (3) The official explanation for this deviation is directly contradicted by the data.

In response, we have silence. Silence from John Kerry, who promised to count every vote, and silence from the mainstream media and political establishment with the notable exceptions of Jesse Jackson, Congressman John Conyers (a key DSA ally in Congress), and Keith Oberman of MSNBC. Thirty-two other Representatives voted for the challenge – though often with explicit statements claiming that the irregularities were not sufficient to have changed the outcome of the election – a conventionally ratified certainty arrived at without any investigation, explanation, or litigation.

This silence undermines whatever remains of our democracy. It means that we cannot trust our most basic rights and institutions, and it means that the data now being used to analyze this election (and perhaps many

other elections throughout the 1990s) are not credible and may in fact make our plight even worse. We may be caving to the power of values talk, for instance, when we should be moving in the opposite direction.

It appears that again, as in Europe, the bourgeoisie need democratic socialists to fight for democracy when none of them seem to be willing to take the risk and expend political capital on an issue deemed marginal by the mainstream.

In fact, our national network served us well, helping me to join with Bob and with Ross Boylan in San Francisco DSA in working for action.

La Lucha Continuada: the grassroots and legal fight against the Ohio election sham

Robert Fittrakis, Columbus

I witnessed firsthand the stealing of the election and widespread voter suppression against African American voters on Election Day as an attorney for Election Protections at two inner-city Columbus wards, which included eight polling places. As part of the Bush campaign's strategy, caging tactics were used against the poor and minorities in Ohio's urban centers. In Columbus, the executive director of the Franklin County Board of Elections, former County

Republican Party Chair Matt Damschroder, held back 76 voting machines, all from Democratic-rich Columbus, including 42 in the African American wards that voted more than 80 percent for John Kerry. There was a long list of voter irregularities and computer malfunctions in Kerry strongholds throughout Ohio on Election Day. U.S. Representative John Conyers (D-MI) later concluded that hundreds of thousands of voters were disenfranchised in the Buckeye state, calling the election results into question.

When several people, including local organizers for the League of Pissed Off Voters, showed interest after I spoke about election irregularities in a post-election panel, we agreed to organize public hearings.

On Nov. 13 we held a huge community public hearing on election corruption at the inner-city New Faith Baptist Church. Five hundred people packed the church and 99 gave sworn testimony of civil rights violations and election irregularities. Two days later, 300 more showed up at the Franklin County Courthouse to give additional testimony. Under-oath hearings followed in Cleveland, Cincinnati, Toledo, and Warren.

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Corrupt Elections

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Mainstream Democrats and the Republican Party denounced us as conspiracy theorists, but the Rev. Jesse Jackson organized a conference call the day before Thanksgiving with representatives of Rep. Conyers' staff and pledged a forum in Washington, D.C. The evidence from the hearings became the basis for a lawsuit, *Moss v. Bush*, under the auspices of the Alliance for Democracy. I was fortunate to be one of the four attorneys that litigated the challenge to overturn the Ohio election results in an original action before the Ohio Supreme Court. While we were blocked every step of the way by Blackwell and Ohio Attorney General James Petro, the legal challenge served as a catalyst for the first-ever Congressional challenge to an entire electoral delegation in U.S. history.

Here, great credit must be given to Rev. Jackson, who literally seemed to be willing a new voter-rights movement through sheer force of his energy and personality; the steadfast work of Rep. John Conyers' staff; and the members of the Congressional Black Caucus. The historical role of Sen. Barbara Boxer and Rep. Stephanie Tubbs Jones will serve as a model of courage for future voting-

rights activists.

The election protection coalition in Ohio is continuing to work together in Columbus.

The battle before us is meaningful election reform, one that meets international standards of transparency and fairness. DSA members must pledge themselves anew to the core struggle of all socialists – real political and economic democracy.

Just One Senator: the political fight in California and the road ahead

Ross Boylan, San Francisco

In 2001 one member of the Congressional Black Caucus after another attempted to object to the certification of the Presidential vote, while the candidate who stood to benefit, Al Gore, gaveled them out of order. In each case he asked if they had the signature of one member of the Senate on their objection, as is legally required. They did not.

In 2005 history did not repeat itself: Sen. Barbara Boxer joined her House

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Organizing Agenda

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known as the “Let the Credit Card Companies Really Screw Poor, Working, and Middle Class People Bill”), and 50 Democrats voted for the class action reform bill designed to limit the ability of lawyers to sue and recover damages from corporations. And, of course, many Democrats voted for the war and war appropriations. Why not find ten pro-war anti-people Democrats and beat them and their corporate money in a primary?

Let's find some serious, ambitious people who have all the qualities a good candidate needs (protest candidates need not apply) and get rid of some of these guys. If we can do that, progressive forces will be enormously strengthened in local communities, and that's where we need it the most. And while we are at it, let's not forget about the city councils and the state legislatures. After all, the other side doesn't.

And let's also remember that organizing isn't just about politics and elections. It's about companies like Wal-Mart and building support for unions, too. Unions and other organizations, including DSA, are launching a massive campaign to educate people about Wal-Mart and the ways in which this corporate giant undermines living standards and promotes a business model that is bad for most Americans.

While the national Wal-Mart campaign's exact strategies have yet to emerge, some things are clear:

1. The labor movement will continue to resist efforts by Wal-Mart to expand into new areas. This is because they want to protect the jobs they have, particularly in the grocery sector, but also in some other retail stores, and because by forcing Wal-Mart to constantly expend resources and energy we may eventually get them to change.
2. There will be national campaigns around petitions, legislation, demonstrations and other forms of political organizing to educate large numbers of Americans about Wal-Mart and get them to take concrete actions to express their dissatisfaction with Wal-Mart.
3. The general public is as much an organizing audience as are Wal-Mart employees. The UFCW is seeking to organize local community coalitions for every Wal-Mart store in the country. They are seeking an email network of 100,000 by the end of the year.
4. The national campaigns will be well funded and able to provide local organizers with good resource materials. They will issue a number of new books and videos on Wal-Mart over the course of the next year.

Essentially, the labor movement is laying the groundwork for a campaign against Wal-Mart based on the model of the United Farm Workers or the Justice for Janitors campaigns, in which public opinion and political support is organized on behalf of the effort to organize workers. That's something every progressive has to be part of!

Big challenges – entrenched political power, entrenched corporate power and the largest employer in America – but that's what we have to do to start to turn this country around.

– Frank Llewellyn

Privatization Run Amok: Privatizing the Risk of Old Age

Joseph M. Schwartz

The Phony Social Security Crisis

Mainstream pundits and even many Democrats buy into the Bush administration's claim that the Social Security system is "in crisis." They are wrong to do so. Social Security continues to do its job: socially insuring the population against the loss of income due to old age, disability, or the death of a family income-earner. Nor is it insolvent. An honest look at the workings of the Social Security system reveals that minor tinkering at most is needed to preserve its soundness through this century. Yet just as the White House created the myth of "weapons of mass destruction" in Iraq to justify a war it had long sought and already planned, it is now using government agencies to fabricate this latest "big lie." The argument that Social Security funding is in crisis isn't fact based, and calls for "overhauling" the system are ideologically driven, rooted in an *a priori* preference for all things "private" and "market-oriented." It is the call for privatization, and not any instability in Social Security, that is the problem.

Barring a disastrous decline in economic growth (which would also wreak havoc upon a private system dependent upon stock market trends), the public good known officially as Old Age and Survivors and Disability Insurance (OASDI) will continue to provide our nation with social security straight through the twenty-first century. Privatization of benefits is then just a public-relations trial balloon, a stalking horse for even more pernicious Medicare and Medicaid privatization schemes.

Even the so-called "partial privatization" plan is an unnecessary gamble, one that would only worsen Social Security's funding prospects and harm retirees. To fund the "transition costs" of carving out private accounts from tax revenue currently slated to be used to pay current retirees, the Bush administration's unspecified "plan" would cut the real value of the defined benefit portion of Social Security by 35 percent by 2050. This would be accomplished by shifting the indexing of Social Security payments from the present wage index to a consumer-price index. That may protect against inflation, but its downside is compelling. If the real economy grows over the long run – that is, if people's living standards rise – the nominal value of wages rises considerably faster than the nominal rise in prices. Thus, indexing Social Security to prices rather than wages strips retirees of the material benefits of rising productivity.

There are other reasons to fear privatization.

- It's expensive, with the benefits going into the wrong hands. Clear evidence from the Chilean and British experience with private accounts shows private brokerage fees eating up about 20 percent of the long-term value of the accounts.
- Relying solely on individual private accounts invested in equity markets violates the guaranteed insurance functions of Social Security income and puts long-lived retirees at risk. If an individual retired during a long-term market downturn or lived

beyond the average years used to calculate an annuity income stream from the private account's total value at retirement, then that individual would be far worse off than she would be under the guaranteed benefit plan that is currently Social Security.

- Private accounts would exacerbate the alleged long-term financing crisis in Social Security. Only increasing taxes, cutting benefits, or raising the retirement age could lessen the costs of funding Social Security.

Let's button down why there is no Social Security crisis. First off, the Presidential Commission's projected shortfall is only one-third the value of the future government revenues lost by the Bush tax cuts. If the marginal income tax rate were restored on the top 10 percent of income earners, the gap created by the administration's pessimistic economic growth assumptions would disappear.

Second, the alleged Social Security "gap" pales in comparison to the projected gap in Medicare and Medicaid costs. While the Commission projects Social Security costs to rise from 4.25 percent of Gross National Product today to 6.25 in 2050, Medicare and Medicaid expenditure is projected to rise from eight percent to some 20 percent of GDP. The inflationary spiral in medical care costs can only be controlled via a system of universal public health care. Only such a system would abolish the inordinate paper work and advertising costs of the current private system (25 percent of revenues versus only two percent for Medicare and Medicaid administration). And a public health care system would also abolish the profit incentive that motivates private insurers and providers to endlessly raise reimbursable costs.

According to the President's own commission, Social Security will be able to pay full benefits through 2042, and 75 percent of future benefits thereafter, while the Congressional Budget Office says full benefits can be paid down through 2052. Why the difference? The President's commission assumes a weak growth rate of 1.5 percent per annum (versus a healthier actual growth rate of 2.5 percent from 1947-2005). The CBO assumes a growth rate in annual GDP of 1.7 per annum. Not only are these pessimistic assumptions about future growth in productivity and output, but, if true, they would damn equity markets from being able to sustain the record price-earnings ratio of today's stocks.

As economist and *New York Times* commentator Paul Krugman notes, the administration cannot have it both ways: if private equity accounts are better bets than investing in Treasury notes, then the rate of capitalist growth must be close to those of the post-World War II era. But if the accounts are better bets, then the United States economy and Social Security tax revenue will grow at a sufficient rate to fund benefits indexed to wage-growth indefinitely (even a 1.9 percent annual average growth of GDP will guarantee that).

No less an enlightened capitalist mouthpiece than

Business Week made the same point in editorializing against privatizing an “essentially sound” Social Security system. As the Twentieth Century Fund pamphlet *Social Security Reform* illustrates, an increase in annual economic growth of just 0.15 percent per year over the next 35 years would provide tax revenues sufficient to offset the projected increase cost of both Social Security and Medicare, measured as a share of gross domestic product.

Even under the pessimistic Presidential Commission assumptions, a simple one percent increase in taxes paid by employers and employees would readily cover “the gap” in revenue sources in the President’s own exceedingly pessimistic economic forecast. And such a rise in payroll taxes (or in the retirement age) could be readily avoided by instituting new, more progressive sources of Social Security funding, such as raising the cap on earned income that is taxed for benefits or adding a Social Security surtax to capital gains.

The Conservative, Not Liberal, Media – Or Who Knows What a Public Good Is?

The failure of mainstream commentators to expose the lies about a “crisis” (which, the Bush administration has been forced to admit would not in any way be redressed by privatization schemes) derives from the weakness of liberalism as a public ideology and a mobilizing social force. Despite reactionary claims that the media is “liberal,” few TV or even wide-circulation print media commentators – with the notable exceptions of Paul Krugman and Robert Kuttner – will or even can articulate the role of public goods in a truly democratic society. Only democratic socialists coherently mount a moral, political, and economic defense of social insurance. Social insurance involves an entire society mutually insuring itself against the risks of the life-cycle and those of a market economy – old age, ill health, pregnancy, disability, unemployment, occupational injuries – the list goes on.

The stronger the democracy, the more the cost of such mutual assurance against risk is borne equitably through a progressive tax system. And a robust public insurance system must be of sufficient quality and breadth of coverage that the upper-middle class is not tempted to “opt out.” Thus, all citizens willingly pay into the system according to their ability and receive from the social insurance system according to their need. Capitalists have never favored social insurance, though they’ve acceded to it when pushed. Only democratic majorities of working people have succeeded in creating and preserving social insurance. The moral and political impetus behind social insurance and quality universal public provision is the socialist principle that a democratic society requires not only civil and political liberties but the equitable provision of those basic goods necessary for equal individual self-development and for people to equally exercise those liberties.

The United States has limited its social forms of provision to public education (funded in a non-egalitarian manner by local property taxes) and old age and disability insurance, while limiting public provision of health care to the elderly and poor. Until the “welfare reform” of the late 1990s, some poor, single parents were subsidized to provide in-home care for their infant children. The mean-spirited,

means-tested nature of “welfare” (chiefly Aid to Families with Dependent Children) underpinned the populist resentment of working and middle-income people of all races against AFDC and, to a lesser extent, Medicaid. If the U.S. had joined other industrial democracies in providing universal health care and child assistance or publicly financed child care, we would never have had a “welfare” problem in the first place, as all adults would have received public health and child care benefits. But it has not been enough for the “privatizers” to force low-income single parents to search, nearly always futilely, for private-sector jobs that can pay for private child and health care. The conservative and neo-liberal “privatizers” are now going after programs that insure the broad majority of society.

Efficient and Successful

Social Security is an extremely efficient, successful program that has lifted millions of the elderly and disabled and their dependents out of poverty. Absent Social Security, close to half of all retired Americans would live in abject poverty; today less than 10 percent do so (versus 13 percent for working-aged individuals, and 20 percent of children). Sixty-five percent of retired Americans depend upon Social Security for the majority of their income; over one quarter depend upon the program for 90 percent or more of their retirement income.

Social Security does not guarantee a life of retirement luxury, as its purpose is to supplement private retirement plans and individual savings. Its purpose is to insure that no one suffers abject poverty due to the risks of premature disability; a life of low-income work (often accompanied by no pension benefits); a severe drop in lifetime earnings (think of the 65 year-old laid-off steelworker working at Wal-Mart for the past two decades); and living longer than one’s private pension or savings anticipated.

Social Security’s average payment, indexed to inflation, replaces only about 44 percent of the average yearly salary (but close to 90 percent of a minimum-wage earners’ yearly take-home). But combined with Medicare, it ensures that most of the elderly avoid the brutal poverty that visited more than 30 percent of Americans before Social Security payments were significantly increased and permanently indexed to inflation during the Great Society. The decrease in the poverty rate of the elderly from three in 10 in 1964 to fewer than one in 10 today proves that “throwing money” at the problem – in this case targeting money at poverty – can reduce it. Since 1965, this nation has defended decent living standards for the elderly, while increasingly victimizing children, particularly those of poor, single parents. Today, more than one in every two Latino and African-American children live below the poverty-line.

As noted earlier, the advocates of “privatization” conveniently forget that the Social Security system, in addition to insuring 32 million elderly retirees, also insures six million disabled workers and their dependents, and an additional seven million survivors of deceased workers against impoverishment. Of the 46 million individuals receiving Social Security payments in 2002, only 61 percent are retired workers (and they receive less than two-thirds of total OASDI disbursements). Another 17 percent are the survivors of deceased workers; 12 percent are the spouses

and children of retired and disabled workers; and 10 percent are disabled workers themselves. Proposals to replace government-funded, defined-benefit contributions with “privately-owned” stock market accounts ignore the reality that private accounts can never replace the family incomes of workers who die prematurely or are disabled early in their working careers (as these individuals will have had few years to accumulate substantial funds in their private accounts). Right now, Social Security income provides the majority of income for the survivors of deceased and disabled workers. The supposedly “better” way of “privatizing” old age and disability insurance would inevitably mean that only the wealthy could accumulate sufficient assets early on in life to “insure” against not only old age, but also premature disability or death of a family breadwinner. For Social Security is not only an old age pension system, but also the equivalent of an individual, private disability insurance policy of \$230,000 and an individual survivorship policy of \$340,000 lifetime insurance (guaranteeing family income against premature death of a breadwinner). What the advocates of privatization will not tell the public is that their plan offers no method for guaranteeing younger workers disability and survivorship benefits. Nor do they tell the public that only the wealthiest 20-25 percent of the work force could afford adequate insurance against disability or premature death. In reality, “privatization” means not only that we no longer socially share the risks of premature death or unusual longevity, but we should each be consigned to accumulate sufficient private assets to ward off these risks on our own. The odds against it are staggering.

We witness the inequities of “privatizing” social insurance every day in regard to the provision of health insurance in the U.S. Not only is 18 percent of the nation uninsured and another third or more radically underinsured. The ability of private insurers to reject individuals with “pre-existing conditions” and charge rates based on age and health means we have no collective health insurance at all. In fact, those who most need health insurance – those most vulnerable to disease – are the least likely to be able to secure affordable health care. “Private” insurance precludes the pooling of risks; instead, those who least need the insurance pay the lowest premiums and those who most need it are excluded from being insured! Private insurance is in reality no insurance at all, as insurance involves a collective pooling of risk as an alternative to the inegalitarian individuation of the vulnerability to misfortune.

Demographic Scare-mongering

Ideological scare-mongers selectively cite demographic trends to talk about the future “collapse” of the system. At the same time, they conveniently ignore other social trends indicating the opposite: that countervailing demographic

changes will buttress, not threaten, the Social Security system. Here’s what they do acknowledge. Currently, 58 percent of the population is between the ages of 20 and 64, while only 13 percent is 65 and older. But by the time the last baby boomer retires in 2030, 56 percent of the population will be between 20 and 64, while almost 25 percent will be over 65. Thus, if today there are approximately 4.5 working-age individuals for every retired person, in 2042 there will be only 2.4 working-age people per retiree – hence the predictions that the Social Security trust fund will “run out” in 2042.

Here’s what the scare-mongers don’t acknowledge: while society may have to devote more of its GNP to the care of the elderly and disabled, any losses will be recouped by having to devote fewer resources to the dependent young from 2030 on. While in 1996, 29 percent of the population was under 20, in 2030, that proportion will be down to only 24 percent. Thus, the number of dependents (old and young) supported by 100 working-age individuals in 1995 was 71

(50 young dependents and 21 old dependents); in 2030 the number of dependents (old and young) to 100 working-age adults will only rise to 79 (43 young dependents and 36 old dependents per 100 working-age individuals).

A moderately prosperous society can sustain such ratios. In 1965, at the end of the post-World War II baby boom, there were 95 dependents (only 18 elderly, but 77 children) for every 100 working-age individuals. While the higher cost of health care among the elderly means that on average they consume 76 percent more per capita than children, Brookings Economist Gary Burtless – no radical he – estimates that in 2050 a worker would only have to contribute 49.6 of his wages – through both taxes and private expenditures – toward the care of dependents. This is nearly six percentage points higher than in 2000, but merely 0.8 percentage points more than in 1965 – assuming that inflationary trends in health care costs are not restrained by a shift to a universal public health care system!

The Social Security “surplus” supposedly will supplement annual payroll tax revenue from 2018 to 2042 (or 2052 if you take the CBO assumptions) in order to guarantee the full payment of benefits. Critics say the surplus, which is generated by the accumulated difference between FICA taxes paid in and annual OASDI payments paid out, will “run out” by 2042 or 2052. The surplus of current Social Security tax revenue over current Social Security expenditures is credited to the Social Security trust fund in the form of government bonds. Conservatives who claim the government could default on bond payments owed to a government agency (the Social Security trust fund) are technically correct. The government could choose not to “redeem” these obligations by lowering the real value of Social Security payouts. But proposals for lowered payouts



from blackcommentator.com

would not only meet popular resistance, but also would make foreign investors in U.S. Treasury bonds extremely nervous. If the federal government is willing to “stiff” its own elderly, what might they do in the next fiscal downturn to foreign holders of United States bonds!

Of course, it is alleged “conservatives” who have squandered much of the Social Security surplus by using it to pay for massive tax-giveaways to the rich. The total value of these tax giveaways by 2042 will be three times the “alleged” Social Security funding gap! Of course, these tax giveaways to the rich could be reversed by a change in tax policy. And the spending of these surplus funds on productive investments in public infrastructure, education, or health care, rather than on tax giveaways, might have contributed to the long-run productivity of the American economy and insured that future tax revenues will be able to fund future Social Security obligations.

The pessimistic scenario also radically underestimates the likely boost continued strong immigration will give to the ratio of working-age and future workers to elderly individuals. The assumptions driving the commission’s report assume a very modest flow of immigrants to the nation, an increase in the labor force of less than 100,000 per year due to net immigration. Yet since 1970, the net contribution of immigrants to work force growth has been estimated to be closer to 500,000 per annum.

Since 1970, immigrants and their offspring have constituted 70 percent of United States population growth. As of 2002, 11 percent of the U.S. population was foreign-born, versus only four percent in 1970. This is the highest ratio since the 14 percent recorded in the immigrant boom of the early twentieth century. As the elderly cannot emigrate as easily as do their children, immigrant populations tend to be disproportionately younger than the society as a whole. Thus, one easy way to offset the alleged future shortfall in working-age contributors to the Social Security trust fund is to insure that immigrant workers and their children are well-educated, well-trained, and able to unionize in order to make a decent living (and increase their FICA contributions).

Mild Solutions for a Mild Problem

But let us assume the worst-case scenario of the privatization ideologues to be true: that American capitalism only grows at an aggregate rate of 1.4 percent per year in the twenty-first century, that net immigration trends sharply downward, and that society significantly increases real per capita expenditure on children (my assumption, not that of conservatives). According to this scenario, we would have to increase expenditure on Social Security from 4.25 today to 6.25 percent of GDP by 2050. Even the most Cassandra-like observer admits that this could be achieved by increasing the regressive FICA tax by two percent in total (one percent each for both employer and employee contributor). But what they don’t tell you is that much more progressive alternatives could also make up the gap.

The most progressive reform – read the best solution – would be to support Social Security through general tax revenues. This would be a return to the original Social Security proponents’ vision that a good chunk of Social Security payouts would be derived from progressive income tax revenue rather than from regressive, flat-rate payroll taxes. Simply

raising the top two income tax brackets by five percent each would make up the bulk of the shortfall envisioned by the pessimists.

Another alternative would be to create a belated peace dividend. From 1976 to 1986, the U.S. summoned the political will to increase the proportion of total GNP spent on defense by a whopping 1.6 per cent. To achieve the same shift of GNP to Social Security, all that would be needed would be to summon the political will to adopt a democratic foreign policy that obviated a bloated military establishment. Permanently cutting the defense budget by 20 percent of its current real value and shifting those resources to social insurance would be a start. If Reagan could fund the elusive Star Wars shield, why can’t the United States fund the really-existing Social Security system.

Both progressive tax reform and cuts to the military will be needed to meet the challenge society will shortly face in caring for aging baby boomers and providing the quality child care needed by working parents. But let us be radical pessimists for the moment: assume it will take several decades to win progressive tax reform and to expand democratic provision of quality public goods. Can Social Security still be saved? Undoubtedly. Even by raising the cap on payroll-taxed income from the current ceiling of \$90,000 to \$250,000, nearly one quarter of the gap could be made-up. Incorporating the nearly seven million state and local employees who presently opt out of the federal pension scheme, would make up another 20 percent or more of the projected revenue gap. Increasing the rate of taxation on high-income Social Security recipients (or abolishing the income cap completely) could make up another 15 to 20 percent of the shortfall.

Job for the Democratic Left

Those who propose “privatizing” Social Security plan to gut the most popular, universal public good in the U.S. Their reforms are motivated not by a desire to deal with an imminent fiscal crisis but by blind ideological commitment to the superiority of all things private (perhaps we’ll next see proposals to privatize sewage and replace public streets with urban toll roads!) Democratic socialists may be the only organized political tendency in the U.S. that can coherently defend the logic of public provision. Thus, we must play a central role in the fight to preserve Social Security by reintroducing into mainstream public discourse the efficiency and equity arguments for social insurance and public provision. Absent that, we will witness not only the gutting of Social Security, but Medicare, too. The struggle to defend Social Security will only succeed if the democratic Left rekindles a public common sense that a truly democratic society requires political and social democracy.

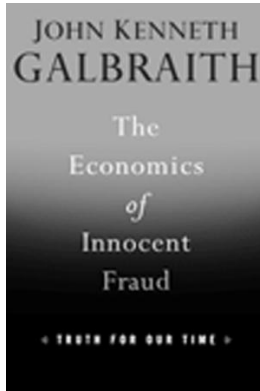
Joseph M. Schwartz, a member of the DSA National Political Committee, teaches political theory at Temple University. He is the author of The Permanence of the Political and the forthcoming The Future of Democratic Equality (Routledge, 2006). This piece is a revised and updated version of an article that appeared in the Winter 1999 Democratic Left.

The Economics of Innocent Fraud: Truth for Our Time

Author: John Kenneth Galbraith

New York, NY: Houghton Mifflin Company, 2004

reviewed by Gregory Zucker



In 2002, Daniel Yergin and Joseph Stanislaw published a book called *Commanding Heights: The Battle for the World Economy*. It was followed by a PBS mini-series, which included in its remarkable cast of interviewees some of the most influential economists and politicians of the last seventy-five years. Ostensibly, the purpose of the book and film was to give an historic account of the theoretical conflict between John Maynard Keynes and Friedrich A. Hayek and how adoption of their theories shaped historical events. The film came to the conclusion that from the viewpoint of the end of the twentieth century, Hayek's theories won out over those of Keynes.

This is where conservatives would like to end their revisionist history: Keynes and his heirs had their chance and screwed everything up. Hayek came to the rescue and now peace and prosperity reign. John Kenneth Galbraith wants to try to prevent them from getting away with it. In his new book, *The Economics of Innocent Fraud*, the ninety-six year old veteran economist, New Dealer, JFK advisor and former diplomat, continues his life-long attack on "conventional wisdom," the handy phrase he coined to describe viewpoints that people choose to accept as facts, even if they are not. Although Galbraith never directly points his finger at specific culprits, it remains true that much of our current conventional wisdom about economics is the result of the ideological campaign waged by conservatives.

Much of Galbraith's critique can be discerned from the seemingly contradictory title of the book. Galbraith himself asks, "How can fraud be innocent?" This fraud is innocent because it's not illegal – it is considered acceptable. "Innocent fraud" is just as deceptive and pernicious as any other kind of illegal fraud, but no one is blamed for their fraudulent activities because the system allows for it. In effect, "innocent fraud" is justified by "conventional wisdom."

In the book's sixty-two pages there's no complex economic jargon, no graphs, not even an argument for government intervention. Galbraith's aim is to make clear to the layman that two things are happening when it comes to how we understand economics: 1) much of what is considered conventional wisdom about economics is just not true; 2) we are suffering as a result of this conventional wisdom because it allows innocent fraud to be committed.

Galbraith starts his attack with an almost sociological examination of what is wrong with capitalism, arguing that economic production and wealth have been substituted for artistic, literary, and scientific accomplishments as a measure of success. As a result, work has been romanticized for the poor and leisure is deemed wasteful. The corporation is king. That's where the real power lies in the free market economy. At its head is not the stockholder, but management, acting in its own interest through the power of the corporation, extending its undue influence into the public sector to mold foreign and domestic government policies. Hence, wars are fought, forests cut down, and tax cuts instituted, all in the interest of corporate management.

That's about where Galbraith leaves us. He tells us how bad things have been and that they are only getting worse. Now what? As Yergin and Stanislaw pointed out, Hayek won the battle. Galbraith had his chance along with Keynes and, according to many, they blew it. But conservatives conveniently forget a little thing called the Worldwide Depression. They may acknowledge that capitalism is sometimes cruel (hence policies like "shock treatment"), but that's just the nature of the beast and they argue that it works better than any of the alternatives, including Galbraith's. So, where are the other sixty-two pages of Galbraith's argument? Now that we know that management acts in its own interest and can manipulate government policy, do we arrest all the CEOs? Since work is romanticized and the amount of time we labor is used as a measure of our worth, do we boycott the workplace? Galbraith has told us that we are in the middle of an economic crisis, yet he leaves us with more questions than answers.

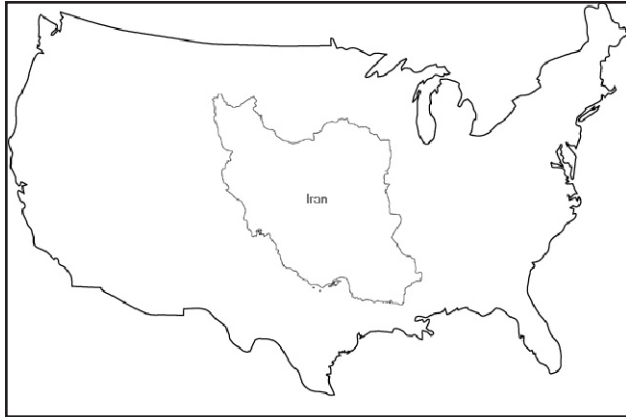
Galbraith avoids attacking the real beast behind innocent fraud – unrestrained global corporations. Yet, Galbraith is first and foremost an economist, so it would seem it was his duty to seek the cause of our current crisis within the economic system under which we live. He should think back to what his mentor did in a time of capitalistic crisis. Keynes' *General Theory of Interest, Money, and Employment* was not a lamentation; it was a sharply creative solution to a pervasive economic and social problem.

John Kenneth Galbraith has seemed in his long life to mostly have been a witty and clear communicator on the side of the underdog. His 1960s work describing a professional/managerial class disconnected from the traditional proprietor/ownership model in *The New Industrial State* got much attention, though it's hard to see how management behavior has become more humane in that professional-for-hire guise. Galbraith has also written in his various books of areas of life that cannot be serviced or delivered by markets, and has even invoked the "S" word in implying there are areas of life in which only the state can deliver essential services or goods. Unfortunately, for readers seeking economic alternatives to TINA – "There Is No Alternative" – this valedictory book by an estimable public intellectual offers little ammunition to use against the self-described Hayekians.

Gregory Zucker is the Managing Editor of Logos Journal (www.logosjournal.com). His work has also appeared in The Brooklyn Rail and New Politics.

Nukes, the U.S., and Iran

International Affairs writer and Iraq War critic Stephen Shalom talks with Jason Schulman



Seymour Hersh and Scott Ritter are convinced that the United States is going to attack Iran. Are they correct?

There are five possibilities: the U.S. is planning a “regime-change” type invasion of Iran; the U.S. is planning air-strikes along with selected commando raids on Iran to go after suspected weapons sites; the U.S. is planning to back Israeli air-strikes and commando-type raids on Iran to go after suspected weapons sites; the U.S. wants to threaten and intimidate Iran, hoping to get some concessions, but does not intend any attacks, or the U.S. is complying with the U.N. Charter requirement to refrain in its international relations from the use or threat of force.

We can reject the last possibility on the basis of the historical record and specific comments emanating from U.S. officials. If the intimidation/threat option is pursued, the signs we would be seeing would be the same as for the first three options. The leaks and ambiguous comments, the provocative over-flights – all these could just as well serve the purpose of intimidation as presaging an attack.

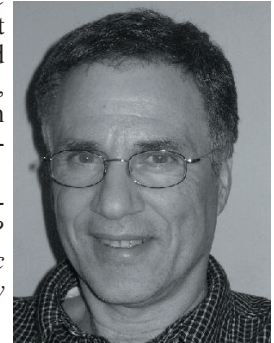
I think there are several reasons to think that intimidation is the more likely route. First, the military utility of air-strikes and commando raids are much degraded by giving advanced warning. Targets can be dispersed or hardened. Air defenses can be enhanced. Retaliatory missile attacks can be prepared. So if air-strikes and commando raids were planned – whether by Washington or Tel Aviv – I would expect much less noise.

Second, it seems clear that the U.S. wants to repair some of the damage the Iraq war did to its alliance system. For Bush to go to Europe and offer various reassurances, however hedged, that he is not planning to attack Iran, and then to attack would create outrage in Europe, unleashing public pressure that would cause a serious break between the U.S. and the Europeans.

The U.S. simply doesn’t have the spare military forces available to undertake invasion. Too many troops are tied down in Iraq and Afghanistan to make

that a real option. And bombing or surrogate military action might well lead to an Iranian retaliation that would call for a U.S. troop commitment in response. Washington desperately wants some way to extract itself from Iraq while, of course, maintaining the strategic and economic interests that led it to invade in the first place. It now faces an elected Iraqi government that is likely to be dominated by pro-Iranian forces, making it harder for the U.S. to contemplate war against Iran. As Borzou Daragahi of the *San Francisco Chronicle* notes, most analysts agree that Iran’s biggest trump card would be to unleash havoc in Iraq, where Shiites who spent years in Iran as exiles are assuming control of the government.

Is it likely that Iran possesses a nuclear weapons program? The U.N.’s International Atomic Energy Agency says no. Are they credible?



The current provisions of the Nuclear Non-Proliferation Treaty (NPT) allow countries to engage in “peaceful” nuclear research and development. Countries can as a result go right to the edge of developing a nuclear weapon, while remaining within the terms of the treaty. And then a country can withdraw from the treaty, which the treaty’s terms allow, and have a nuclear weapons very soon thereafter.

So there’s a strong case to be made for tightening the terms of the NPT. But the NPT always represented a compromise between the nuclear “have” nations and the “have-not” nations, whereby the latter agreed to refrain from acquiring nuclear weapons in return for the former’s commitment to genuinely move toward nuclear disarmament. There is likely to be a great deal of resistance from the have-nots to tighten their own self-abnegation while the leading “have” nation – the U.S. – has brazenly asserted its right to nuke non-nuclear nations (Presidential National Security Directive 17). The U.S. has also refused to ratify the Comprehensive Nuclear Test Ban Treaty, withdrawn from the ABM treaty, is seeking the development of new, small, more “usable” nuclear warheads, and has signed with Russia what must be the phoniest arms control agreement in history – it will be in force for only a single day at the end of December 2012! The Bush administration has also declared that it opposes any effort to add verification procedures to a treaty on banning the production of fissile material.

Whether Teheran intends to go to the brink of permissible development and then, at some future date, either withdraw from the NPT and develop nuclear weapons or remain in the NPT and secretly develop nuclear weapons – that we could only know for sure if we could read the minds of Iranian leaders. Whatever inclination the Iranian mullahs may have had to develop nuclear weapons has surely increased since the U.S. invasion of Iraq, as is well recognized. Thus, John Lewis Gaddis, a supporter of Bush’s “war on terrorism,” writes in *Foreign Affairs*, “The invasion of Iraq appears to have convinced leaders in [Iran and North Korea] that they must have a nuclear capability

of their own. Far from deterring them, the U.S. may have pushed them into finding ways to deter it.”

Iran resides in a pretty nasty neighborhood in Central Asia, and now Iraq hosts the bases of the world’s leading preemptor, the United States. Even a moderate Iranian government might seek nuclear weapons. Throw in religious fanaticism and a government whose unpopularity gives it a weak domestic base, and a nuclear weapons program might be even more likely.

Is Iran any sort of threat to the U.S.?

If Iran acquired nuclear weapons it would constitute a threat to the U.S., and to everyone else in the world, only because every nuclear weapon provokes other nations to acquire nuclear weapons which in turn greatly increases the possibility of accidental, inadvertent, or crisis-induced launching of nuclear weapons. That’s why even though I understand the logic of countries wanting to acquire nuclear weapons to protect themselves from other nuclear powers, I believe such a strategy is deeply mistaken and dangerous. So Iranian weapons would threaten the U.S., as Israeli weapons do right now, in the same sense, and, indeed, as US weapons do.

How likely is it that the majority of Americans would go along with an attack on Iran, by the U.S. or by Israel?

That will depend on us in the anti-war movement. We will need to make clear to the American people that there is no basis in international law for any such attack. The widely praised Israeli attack on Iraq’s Osirak nuclear plant in 1981 did not end the Iraqi nuclear weapons program and, indeed, may have precipitated the program. Also, teaching the lesson that proliferation is best dealt with by preemptive strikes is likely to have terrible consequences as others try to apply the same lesson.

Would an attack help or hinder Iran’s pro-democracy movement? Would an attack be welcomed in Iran? What is the state of that movement?

Did 9/11 help the Democratic Party or the progressive movement? I assume the Iranian mullahs would be as successful in turning an attack to their own domestic advantage as Karl Rove was in the U.S. People in all countries tend to rally around the flag when under attack, especially when the attack is not aimed against dictatorship, but against weapons which the Iranian population knows are possessed by others. The reform movement in Iran is currently quite weak, and an atmosphere of jingoism in the face of foreign encirclement and attack will not help it.

Given the anti-war movement’s failure to stop the Iraq war, how can we possibly prevent a war with Iran?

It shouldn’t be nearly as difficult to convince the American people that they shouldn’t blindly trust U.S. government claims about weapons of mass destruction, about the unavailability of non-military means for dealing with the situation, and about the imminence of the dangers we face. You can fool some of the people...

Stephen Shalom teaches political science at William Paterson University in New Jersey. He writes for Z Magazine (many of his articles are on ZNet) and is on the editorial board of New Politics. His most recent book is Which Side Are You On? An Introduction to Politics (Longman, 2003).

Corrupt Elections

continued from p. 6

colleagues in objecting to the certification of Ohio’s electoral votes for Bush. Changing Ohio’s votes would change the winner of the election, and the objection highlighted racially targeted disenfranchisement of voters, systematic official bias, and evidence of outright fraud in counting the votes.

One reason Boxer objected was a sustained campaign directed at her and others to get them to object. In San Diego, activists sat in at her offices, national organizations such as MoveOn targeted her, and in San Francisco a broad coalition pressured her with petitions, rallies (three in front of her office) and face-to-face meetings. As coordinator of the United for Peace and Justice Bay Area working group on the election, I can offer a first-hand account of our success, as well as our frustrations.

We targeted House Democratic Leader Nancy Pelosi and Sens. Boxer and Dianne Feinstein. Led by DSA member and former Rep. Ron Dellums, we also met with Zoe Lofgren, a member of the House Judiciary committee. We met with aides to Pelosi and Boxer; Feinstein blew us off. We rallied in front of their offices, often while a delegation went inside for a meeting.

Even many on the Left were at first reluctant to get involved in the issue. This reluctance stemmed in part from our second problem: the media had declared the election over. Influential pieces appeared shortly after the election saying that there were some kooks who erroneously thought the election had been stolen. (It was only later that it became clear that it was not the “kooks,” but the authors of those stories, who were wrong.)

To combat this, we tried to convey two messages. First, the problems extended well beyond counting the vote. We drew attention to the widespread reports of voter disenfranchisement and the efforts of Republican operatives, including secretaries of state who also served as co-chairs of the Bush campaign, to keep people from voting. These were not exactly secrets: the long lines (waits of six or even 10 hours) in Ohio precincts that favored Democrats and the short lines in Republican precincts were there for all to see. A string of court cases across the country documented efforts to suppress the vote.

Our second message was that there was sufficient evidence of fraud in counting the votes that the matter should be investigated. In other words, we generally avoided saying it was certain there was fraud, arguing that the false claim of certainty came from those who said there couldn’t possibly be fraud.

Interestingly, a recurrent theme of the officials we met with was that they felt unable to get coverage themselves. They said even when they held press conferences or issued statements, the media generally ignored it. This was partly a result of White House threats to cut off access to those who gave the Democrats too much play.

Consistent with this, even the hearings held by the Democrats on the House Judiciary committee failed to get much coverage in the mainstream press.

Despite this media environment, almost one-fifth of those surveyed after the election said they did not trust the results. This extraordinary result indicates that we have something to work with.

One reason the media went home was that Kerry conceded the election. Surely if there had been any basis for a fight, he would have taken it – wouldn’t he? And other

continued on back cover

from the Locals

Alaska

Alaska DSA member Niilo Koponen was a Kucinich delegate to the Democratic National Convention in Boston last summer.

Richard Farris, rtfarris_99708@yahoo.com

Boston

After organizing forums on sweatshops and the rise of Wal-Mart, Social Security, and grassroots election organizing, the Boston local put together its stellar moment for the year, a forum on alternatives to capitalism.

In September, a small group of DSAers had met to discuss the book *After Capitalism*, by David Schweickart, which advocated a form of economic democracy under which goods and services would be produced primarily by worker cooperatives; distribution would be by a market



Panelists in Boston: left to right: Rich Rosen, David Schweickart, and Noemi Gizspenc.

system, and capital would be socially owned, with investment controlled by democratically accountable banks. Both liking and questioning these ideas, Boston DSA invited Schweickart to speak at a March 3 public forum, cosponsored by several socialist and progressive groups and widely publicized. It was an astounding standing-room-only success. Employee ownership consultants Noemi Gizspenc and Chris Mackin, left trade unionist Pasqualino Colombaro, and DSA activist and Massachusetts Neighbor to Neighbor Director Harris Gruman responded and critiqued Schweickart's presentation. Gruman also discussed the experiences of the Social Democratic parties in Sweden and Austria. The panel gave a nice balance, overall, of theory and "in the trenches" practice. The tone of the discussion was collegial, constructive, upbeat, with a sense of a group of people bringing different experience and skill sets to the effort of finding a solution to the problem of "after capitalism." The audience, which ranged in age from 20-somethings to elderly, continued the lively open discussion through a reception afterwards. Many guests indicated interest in further discussions on alternatives to capitalism.

Boston DSAer David Knuttunen says that the forum succeeded because "we clearly struck a nerve with people looking for answers to the neoliberal mantra of 'TINA' ["There is No Alternative" to global capitalism] and because our broad outreach was successful: we had six cosponsors – Tellus Institute, Massachusetts Global Action, GEO (Grassroots Economic Organizing), *Dollars & Sense*, Committees of Correspondence for Democracy & Socialism (Boston chapter), Freedom Road Socialist Organization (Boston) – which thus enabled us to promote the event to people with a range of interests including socialism, globalization, worker ownership, radical economics and progressive policy, generally."

Mike Pattberg, chair@dsaboston.org

Central Indiana

The Central Indiana local sponsored the second annual "Take Back Your Time Day" in Indianapolis, as part of the national effort for shorter work time. Central Indiana DSA's Work Time Reduction Committee has also begun a petition drive for the 30-hour workweek. The local launched a Religion and Socialism discussion group to discuss the relation of radical politics with religion, humanism, ethics and morality – seeking common ground among both religious and secular socialists.

Committed to a DSA presence in progressive community activities, the local ran a booth in the Indianapolis Labor Day Parade and Picnic; marched with Justice for Janitors and AFSCME; participated as an exhibitor in "Alternative Media Festival" sponsored by Public Access Indianapolis; and took part in an "Alternative Politics Forum" in Bloomington, sponsored by the Indiana University Progressive Faculty Union, where Local Chair Brad Lorton and Indianapolis Branch Chair George Fish were panelists. Local members are active in the Indianapolis/Marion County Living Wage Campaign – organizing a legislative canvass and doing research on wages and other issues related to the working poor. Central Indiana DSA is a full organizational member of the Central Indiana Jobs with Justice Coalition and actively supports the local Justice for Janitors Campaign, sponsored by SEIU Local 3. The local continues to participate in actions against the war and occupation in Iraq.

Brad Lorton, indianadsa@netscape.net

Central Ohio

Columbus DSA discussed socialist theory and practice at their February meeting, balancing this theory with the practice of working with Jobs With Justice and the Central Ohio Peace Network. (See also article page 5.)

http://www.dsco.org

Chicago

Liberal/left opposition to Social Security privatization is organizing in Illinois around the Save Our Security Illinois Coalition, which includes Chicago DSA. The Coalition's first action in Illinois was a 90-person picket line outside the downtown Chicago offices of the Charles Schwab brokerage, a major advocate of privatization. A town hall meeting, with an overflow crowd of 400, on February 28 at Loyola University's Water Tower campus

featured Senators Richard Durbin and Barak Obama and Representative Jan Schakowsky. There was also a major rally in April.

Chicago DSA endorsed the March 19th National Day of Action against the war and participated in the local action that Saturday. The local has also endorsed the "Big Box Store" ordinance pending before the Chicago City Council that would require a living wage for those wishing to build Wal-Mart style operations inside the city limits. Chicago DSA also co-sponsored, with the Open University of the Left and Vietnam Veterans Against the War, a showing of the film *Winter Soldiers*. The Greater Oak Park DSA branch is doing a candidate survey of contenders for the Oak Park Village Board.

Robert Roman, chiildsa@chicagodsa.org

Detroit

The annual Douglass-Debs dinner was held just four days after the November election. Despite the bad news, Ron Aronson described it as "a wonderful, energetic, militant evening! Nearly two hundred people turned up, and their mood was remarkable.... We knew who we were, and we knew what we were fighting against.... The speakers repeatedly emphasized that we are going to keep fighting and that we are not going to be intimidated by the nonsense about the Republicans and morality."

The Detroit DSAers are indeed fighting. They are working toward a living wage ordinance in Macomb County, and with newly-elected legislators they expect it to pass. They are also pushing for a statewide sweatshop policy that would forbid any institution that takes state money from purchasing goods made in sweatshops. Borrowing a concept from the Chicago comrades, the Detroiters are also looking at the idea of a big box ordinance for Pittsfield Township.

David Green, dsagreen@aol.com

Ithaca

Ithaca DSA has produced a half-hour video of Joe Schwartz speaking in defense of Social Security; to get a copy email talt@igc.org.

Theresa Alt, talt@igc.org

Nassau County

Herb Robb, a charter member of DSOC, was honored by the Long Island Alliance for Peaceful Alternatives, with whom Nassau Co. DSAers frequently work; Amy Goodman was among the speakers

Mark Finkel, markfinkel@aol.com

New York City

New York City DSA participated in a successful campaign, spearheaded by the Working Families Party, to raise the state's minimum wage. Governor George Pataki vetoed the raise; the Democratic Assembly swiftly voted to override; and finally, in December, following serious electoral pressure, the Republican Senate also voted to override. The state minimum wage rose to \$6 per hour on January 1 and will go up to \$7 January 1, 2006.

NYC DSA joined efforts coordinated by the Central Labor Council to resist Wal-Mart's plans to open a store in

Queens. Wal-Mart fled.

Ken Schaeffer, kdschaeffer517@msn.com

Sacramento

The one ongoing, active campaign of the DSA network in Sacramento is building a local of Progressive Democrats of America. PDA is supporting Julie Padilla to replace the late Congressman Robert Matsui in a special election.

Duane Campbell, campd227@pacbell.net

San Diego

San Diego DSAers are very involved in cross-border organizing. They drew on their ties on both sides of the line to put together a conference, "Globalization: The Border Region and the Maquiladora Industry." See the article on p. 4.

Virginia Franco, dsasandiego@cox.net

San Francisco

Ross Boylan of San Francisco DSA represented the local United for Peace and Justice chapter at the national UFPJ conference in St. Louis. (See article p. 5.)

Ross Boylan, RossBoylan@stanfordalumni.org

Twin Cities

Not only did Twin Cities DSA host the Multilateralism Conference in October, but the local also has featured presentations on the history of U.S. foreign policy at their meetings. Thanks to his *DL* article on multilateralism, Stephan Peter has been invited to give a talk on U.S. politics at his German SPD local in Dillingen, with which the Twin Cities local has established a sister partnership. The DSAers were also part of the local anti-war protest on the occasion of the second anniversary of the Iraq War.

Stephan Peter, info@twincitiesdsa.org

Washington DC

D.C. Metro YDS had their first Organizing Committee meetings in early January. Their first project was the Inauguration Day protests.

Michael Key, yds_man@yahoo.com



Twin Cities DSA marches on March 19 in protest of the Iraq War.

Elections

continued from p. 13

Democrats avoided it as well.

As Pelosi's aide in particular made clear, prominent Democrats have quite a few reasons to avoid a fight. We heard an astonishing array of excuses, from not wanting to look like sore losers or kooks to the futility of fighting a Republican-controlled Congress.

We didn't think much of these reasons, and told them so.

Boxer ended up on the short end of a 75-1 vote to certify the election in the Senate, and many of her colleagues were careful to say, even while objecting, that they didn't think the outcome of the election was in doubt. So we find ourselves in a period in history in which it takes courage to stand up for basic democratic rights.

The objection seemed to light a fire under Boxer; before we knew it, she was grilling Rice over the conduct of the war.

Perhaps because of Boxer's example, more Democrats seemed to discover that they didn't need to assent to a horror. Many voted against confirming Gonzales as attorney general.

The Future

It's 2005 and we're still fighting for the right to vote. Our electoral system is fundamentally broken. To some extent, the Democrats, with their slogan of "Count every vote," have helped this along; that slogan makes invisible those who don't get to vote at all. Yet all the classic racist tactics to keep people from voting are back, even if the officials doing them sometimes have dark skin (the Ohio Secretary of State was African American).

On top of this, there appears to have been a massive problem in counting the votes (in many cases due to problematic voting machines – on which about a third of the country voted), one that swung about 5 percent of the reported vote. That's a big thumb on the scale.

No self-respecting democracy should permit that, but as the ingeniously inventive Republicans showed, no amount of technology or regulation can limit a determined partisan. In too many places our elections are run by partisans, using machines manufactured by partisans, with oversight by partisan state and federal officials. The constitutional provisions requiring equal protection for all citizens are there, but no one will enforce them.

If the 2004 election had gone uncontested, there would be little chance of doing anything about this. The odds are still long, but the door is ajar.

More resources on the challenge to the election results are available at www.dsausa.org.sf.

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