

This week in history: February 10-16

10 February 2014

This Week in History provides brief synopses of important historical events whose anniversaries fall this week.

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

25 years ago: Bush proposes continued Reagan-style spending cuts

During the week of February 10, 1989, press reports gave the details of the cuts in social spending proposed by US President George H.W. Bush in his first budget. The 200-page budget document was released after Bush addressed a joint session of Congress.

Despite his rhetoric of a “kinder, gentler” government, the budget expressed the determination of the administration to make the American population pay for the economic crisis of the profit system. As Bush declared in his speech, his administration “will not reverse direction,” meaning that it would continue the assault on the working class begun under Carter and accelerated under Reagan.

More than \$30 billion in cuts to social programs were proposed, including the following specific cuts:

- Aid to Families with Dependent Children—\$1.2 billion
- Supplemental Security Income, the federal program for the disabled and the blind—\$1.1 billion
- Medicare, the principal federal health care program for the elderly and the disabled—\$5 billion
- Retirement and health programs for government employees—\$4.4 billion
- Agricultural programs—\$5.5 billion.
- Natural resources and the environment—\$2.1 billion.
- Aid to elementary and secondary education—\$200 million.

The budget proposed another windfall for the corporations and the super-rich, by cutting the tax rate on capital gains made from the sale of corporate stock and other investments from the range of 28-33 percent to only 15 percent.

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50 years ago: Johnson proposes US health plan for elderly

In what was called a “special health message to Congress,” US President Lyndon Johnson proposed a

system of national health insurance for those over 65, to be financed through Social Security payroll taxes embodied in the King-Anderson bill, then pending in Congress. The plan was ultimately implemented in 1966 under the name Medicare.

Johnson also called for \$280 million in federal funding to train more nurses and dentists and to renovate hospitals, among other proposals aimed at improving the quality of health care. Describing his plan as a “vigorous and many-sided attack on our most serious health problems,” Johnson said that in the US there was “no need and no room for second-class health services.”

The plan as spelled out by Johnson would add 0.25 percent to the Social Security payroll tax paid by both employers and employees, while the cap on income subject to Social Security taxes would be raised from \$4,800 to \$5,200. Revenue to pay health care costs for those over 65 and not covered by Social Security would come from the federal budget’s general fund.

The American Medical Association attacked the proposal as “socialized medicine.” Joining the AMA in opposition were private health insurance corporations and the US Chamber of Commerce. The AFL-CIO and organizations of elderly Americans backed the proposal. There was no serious consideration given to a government-run health care system—as opposed to government-financed—such as those that prevailed in most other industrialized nations.

Before the implementation of Medicare, about 35 percent of Americans over the age of 65 had no health insurance. Because the elderly face more and graver health problems, private insurers often charged them premiums two or three times the rates for younger people.

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75 years ago: Catalonia falls to Franco

On February 10, 1939, the last part of the province of Catalonia fell to the military forces of General Franco. The Spanish fascists immediately closed the province’s border with France to prevent supporters of the Republic leaving Spanish territory. Hundreds of thousands of Spanish workers, socialists and republicans had streamed across the border, only to be imprisoned in internment camps by the

French authorities in the intervening weeks between the fall of Barcelona and the final conquest of Catalonia.

With the takeover of Catalonia complete, the head of the Republic, Juan Negrin, leader of the Spanish Socialist Workers Party (PSOE), planned to defend the remaining Republican-controlled central south zone, containing the capital city of Madrid, which was territorially substantial and populous, until such time as a controlled evacuation from the Mediterranean coast could be organised.

However, it was in Barcelona and Catalonia, the heart of the proletarian revolution in Spain, that the civil war was effectively lost years earlier when the social democrats, Stalinists and anarchist-led trade unions stymied the revolutionary aspirations of the workers. In July 1936, when the Spanish generals tried to overthrow the Republican government in a military coup, the workers of Barcelona rose up against them. Local and national government collapsed, leaving power in the hands of the workers, who created committees to organize production and distribution and militias to defend their revolution. Spain was in a situation of dual power after the attempted military coup. The Republican government had lost all authority.

But the workers' own organisations—the Anarchist trade union federation CNT and the POUM (Party of Marxist Unity)—were not prepared to take state power and instead joined the Republican governments in Catalonia and Madrid. The participation of workers' leaders gave these institutions political credibility that they would otherwise have lacked. Over the ensuing months the Republican authorities reasserted themselves.

In March 1937, Leon Trotsky warned: "If this policy [of the POUM] continues, the Catalan proletariat will be the victim of a terrible catastrophe comparable to that of the Paris Commune of 1871." His words would be proved all too prophetic by subsequent events.

This creeping counterrevolution was slowest in Catalonia where the workers were strongest. But by May 1937 the Catalan regional state and the authorities in Madrid, supported by Stalin, were confident enough to attempt to regain control. On May 3 the Republic police chief attempted to seize the telephone exchange, which had been in hands of workers since the previous July. Several days of street fighting followed, during which key working class leaders were assassinated.

After the leaders of the main working class organisations persuaded their members to cease fire, there were mass arrests. Most prominent among those arrested was Andres Nin, the leader of the POUM, who disappeared into a Stalinist dungeon where he was tortured and murdered. Thousands of members of the POUM and CNT were arrested and charged with high treason.

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100 years ago: Constitutional crisis in Sweden over military build-up

On February 10, 1914, the Swedish government resigned, with more than 100 Liberal members of parliament issuing a joint statement warning that the actions of King Gustav V threatened to put an end to parliamentary rule. A conservative government was installed, headed by Hjalmar Hamarskiöld and comprised of business leaders and high-ranking civil servants.

The crisis was sparked by King Gustav's "Courtyard Speech" on February 6, when he addressed 30,000 farmers and conservatives who had marched against the Liberal cabinet headed by Prime Minister Karl Albert Staaff, demanding an increase in defence spending.

The protesters were mobilized by the conservatives on the militarist demand that Sweden boost its army on the pretext of protecting it from external enemies, in particular Russia. There were mounting tensions over the disputed border of Sweden with Finland, then part of the Czar's empire.

King Gustav's speech voiced support for an increase in military spending. It was written by explorer Sven Hedin, a pro-monarchist and admirer of Germany's Kaiser Wilhelm. On assuming office in 1911, Staaff's cabinet had abandoned the construction of the F-Type warship begun by the previous conservative government, maintaining that such a warship was too narrow for Swedish waterways and that the only justification for it would be to cooperate in an offensive with the German navy.

Political tensions ran high following the king's speech. According to the *New York Times*, 30,000 socialists held a demonstration on February 8 in front of government offices protesting against any increased expenditures on armaments, demanding instead that ministers work for peace.

Staaff's Liberal government protested against the king's speech, maintaining that as a constitutional monarch he should not make political speeches without first having the substance of such speeches approved by the Cabinet. The king refused to submit to such a restraint.

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