

This week in history: August 13-19

13 August 2018

25 years ago: Clinton unveils health care “reform” to cut costs for corporate employers

In a speech to the National Governors Association on August 16, 1993, President Bill Clinton outlined the substance of his proposed health care reform program. Speaking to the group that he previously headed while governor of Arkansas, Clinton largely dropped the reformist pretenses associated with his promises to working people and explained in blunt language that the purpose of the “reform” was to cut costs for the government and corporate employers.

Clinton pointed to the steadily rising cost of health care as a proportion of US Gross Domestic Product. “If we don’t change this, we’re going to go from 14 percent to 19 percent of our income going to health care by the end of the decade. It is going to be very difficult for us to compete and win in a global economy with that sort of differential.”

A week earlier, in a speech in Charleston, West Virginia, Clinton declared, “We have got to do something to provide health security to all Americans in a way that is good for the private sector, good for our employers and controls the costs without sacrificing quality.”

Clinton’s “managed care” plan would preserve the entire structure of profit-making medicine, including private insurance companies, private hospitals, private drug monopolies and manufacturers of medical equipment, and private medical practices for doctor-capitalists.

Hillary Clinton, in her role as chairman of the health care reform task force established by her husband, sounded similarly right-wing themes in a speech to the annual convention of the American Hospital Association. “We have to eliminate the all-too-prevalent state of mind that there is a free lunch, that there is something for nothing,” she said, referring to popular demands that health care should be a right to which everyone was entitled, regardless of ability to pay.

The centerpiece of the Clintons’ plan was to extract \$30-\$40 billion in cost savings from Medicare and Medicaid—by means that were not specified in detail—and using those funds to subsidize small employers who were otherwise not be able to afford health care benefits for their employees. Another \$10 billion or more in regressive taxes

on cigarettes and alcoholic beverages, which fall most heavily on lower-paid workers, would be added to the subsidy pool.

The Clintons also proposed increased “flexibility” for state governments to conduct social experiments on their Medicaid population—in other words, various forms of rationing, in which states denied coverage for some medical procedures for the poor to offset the cost of expanding the number of people covered by the program.

50 years ago: Soviet Politburo agrees to invasion of Czechoslovakia

Meeting in Moscow August 17, 1968, members of the Soviet Politburo voted unanimously to “provide assistance and support to the Communist Party and people of Czechoslovakia through the use of armed forces.” This set in motion planning for the Warsaw Pact invasion of the country. This decision came just two weeks after the Bratislava Declaration, a supposed thaw in tensions, was signed between the Warsaw Pact countries and Czechoslovakia.

Leonid Brezhnev, general secretary of the Communist Party of the Soviet Union, was dissatisfied with Czechoslovak leader Alexander Dubcek’s actions following Bratislava. In a letter to Dubcek on August 16, Brezhnev outlined some of his grievances. He wrote, “the fraternal parties that met in Bratislava, attach enormous importance to these talks ... it seems without question the main thing now is to fulfill the programmatic clauses of the document and to take practical measures to fulfill the agreements.” The letter suggested that the Communist Party of Czechoslovakia had stated their agreement for the positions laid out in the Bratislava Declaration but not carried them out.

But Brezhnev’s evidence for this claim was that “the course of events shows that the mass media have begun describing the results of the talks from right-wing positions and are continuing their anti-Soviet, anti-socialist attacks.” In other words, Brezhnev’s complaint was that Dubcek had continued to allow the Czechoslovak media to publish free and open criticisms of the soviet bureaucracy rather than routinely publishing the line of the Stalinist press.

The Soviet Politburo, as made clear in Brezhnev’s letter,

saw that the openness of the press and other Dubcek reforms were weakening the Stalinist regime's stranglehold over the Czechoslovakian working class. This, Moscow decided, warranted an invasion and the preemptive suppression of workers before a full-scale mass movement against the bureaucracy could erupt.

75 years ago: Churchill, Roosevelt meet in Quebec

On August 17, 1943, British Prime Minister Winston Churchill and US President Franklin Roosevelt, along with military leaders from both countries, met in Quebec for a secret military conference. They were deadlocked on the opening day over the location and timing for the Allied assault against Germany in continental Europe.

Up until then, the British had been able to concentrate Allied military activity in the Mediterranean and were proposing entry into Europe through Italy, along with military operations in the Balkans and eastern Mediterranean.

But with the conclusion of the military campaign in North Africa and the successful invasion of Sicily, the US military contribution of war materials and manpower rivalled and surpassed the British. American imperialism now stubbornly demanded that the "overriding priority" be given to an invasion of Europe across the English Channel into France.

Britain's "Mediterranean strategy" was oriented towards its colonial interests in the Middle East. But it also intended to use the Italian campaign as the basis for the invasion of south-central Europe—Vienna was the major target—which would forestall the Red Army's advance into and conquest of these territories. During a recess of the conference Churchill even spoke of war with the Soviet Union.

The Quebec conference was the culmination of the long-festering dispute over a Mediterranean versus a cross-channel strategy. Although Churchill's position was bolstered by the news of an Italian offer to surrender, the superior weight of American imperialism proved decisive.

The US-British meeting ended with an agreement that the invasion of Italy would be diversionary, aimed at pinning down German troops while the main strike was prepared against northern France. Signaling the preeminent role of the US, Churchill agreed that "Operation Overlord," a massive invasion of Europe launched from southern England, would be headed by an American general.

100 years ago: AFL and business leaders discuss how to fight Bolshevism

On August 13, 1918, a top-level conference between officials of the National Civic Federation and American Federation of Labor President Samuel Gompers and other members of the US delegation to the upcoming British

Trades Unions Congress discussed "methods of counteracting Bolshevism." The AFL-led mission was to include financiers, labor leaders publicists and others.

The Federation, founded in 1898 by oil magnate John D. Rockefeller and other leading capitalists, was the leading proponent of labor-management cooperation, i.e., corporatism. Gompers had been associated with the organization for years, along with the right-wing leaders of various craft unions. In January 1916, Gompers chose a speech before the National Civic Federation to announce that he was abandoning his longtime "pacifism" in favor of pro-war "preparedness."

The purpose of the August 13 meeting was to gain the consensus of American opinion to be presented to the Trades Union Congress, as well as "to labor leaders in other Allied countries which the mission will visit."

Among those attending were Wall Street financier and president of New York City's IRT subway line, August Belmont, Otto H. Kahn, Judge William H. Wadhams, Isidor Straus and British suffragette leader Emmaline Pankhurst.

The resolutions adopted by the conference declared, according to a press report, "it to be the first duty of the United States to concentrate every energy, that the cause of justice, freedom, and democracy" (i.e., the Allied imperialist war effort) "shall find its triumphant conclusion..."

The conference also recognized the "patriotic and constructive attitude of the American labor movement" as one of the most important and effective agencies in combating "the folly, disloyalty, and destructiveness of tendencies and agitations in this country and abroad, which are akin to Bolshevism in Russia."

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