

Foreword

This book by Victor Perlo is a most penetrating study of racism in the realm of economics, a key question for the whole course of development of our country in this historic period.

This study responds to the need of achieving a higher level of class consciousness within the labor movement. Such consciousness must lead to a strengthened relationship of white working people with Black people and other oppressed minorities.

The book goes to press at a period of deepening crises, economic and political, afflicting the world of capitalism. So far, big business and the government it controls have been able to place the full burden of these crises on the working people. Living standards are declining as never since the great crash of the 1930s. Inflation and unemployment are both striking blows not felt before by most of this generation.

These blows are hitting Black people with doubled and tripled force. The "first to be fired" rule is being applied without restraint, decimating the employed Black labor force in major industries. Inflation is even more severe for the poor, to which most of the Black population are restricted. Millions of the poor, especially Blacks, are suffering severely in this crisis, from hunger and cold, from loss of means of transportation and utilities, and even of a roof over their heads.

Failures are weeding out the weaker businesses, and with tenfold frequency the all-weak ranks of Black business. The panacea of Black capitalism lies in ruins as bankers, power companies, suppliers, show no mercy to the struggling minority enterprises.

Economic and political events interact. There is an almost desperate

atmosphere as the rulers of the country try to solve their difficulties at the expense of other countries, and, above all, at the expense of the people of the United States. The appeal of the corporate rich to the public to accept greater sacrifices is accompanied by a sharp increase in the use of racism as a weapon of divide and rule.

The Supreme Court, for example, has handed down racist decisions wiping out an important part of the legal-political gains of the past two decades. The substitute-President Gerald Ford has outdone Richard Nixon in overt encouragement to racism. The events in Boston and the increasing bombings of Black homes are most serious signs.

In this critical environment the forces of reaction are advancing new theories to try to justify racist discrimination, while would-be liberators are advocating new diversions from the necessary course of struggle.

The author presents in all its dimensions the realities of economic discrimination against Black people. He demolishes all the main lines by which racist reaction strives to justify it, deny it, or belittle it.

He shows the futility of all programs which aim at separating Black and white workers. On the one hand, says Perlo, Black liberation cannot be won without accomplishing at the same time major victories for the entire working class, white and Black. On the other hand, no prior work has shown so conclusively the cost to white workers, and the profits to monopoly capital, of discrimination against Blacks. And none has proven so forcefully the responsibility of white working people, and their positive stake in participating in the struggle for Black equality.

The volume closely examines the records and policies of capital, of labor unions, and of government in relation to discrimination. The fundamental fact comes through, remorselessly, that discrimination and gross inequality are rooted in capitalism, in state-monopoly capitalism in its period of decay. The point is demonstrated that socialism is the highroad to full national and racial equality, by the very nature of the system, and as realized in practice in the lands where peoples' power has been won and socialism built.

A final chapter explains in detail what is required for equality, and spells out the forces which must unite in order to win it.

The balance of power in the world is more and more rapidly shifting in favor of the working people, against their exploiters and dividers. Great victories are being won on all continents, with a profound influence in our own land.

An important requirement for victories here is the renovation and

democratization of the trade union movement. The present major leaders, men like George Meany, I.W. Abel, and Albert Shanker, are pro-capitalist, pro-militarist, and racist. However, newer more progressive forces are gaining ground, with Black workers playing an outstanding part in the process.

This book will help in the struggle to redirect policies in the labor movement, through the building of a mass rank and file center in every shop, in every union. And this must and will have in its program, second to none in importance, the fight to completely eliminate racism from the American industrial scene, achieving factual economic equality as well as statute-book proclamation of the right to equality.

Equally important is the building of an anti-monopoly political formation that can conduct and win a serious struggle for effective people's power. The role of Blacks in such a formation must be very large, as must be the struggle for Black equality in its program.

The Economics of Racism is an excellent addition to Perlo's past works such as *American Imperialism*, *Empire of High Finance*, *Militarism and Industry*, *the Negro in Southern Agriculture*, and *The Unstable Economy*.

It helps light the way to the struggle here and now, to overcome all of the ignorance, and erroneous conceptions, which hold back the forces of anti-monopoly unity. It appeals to all persons of good will, who may differ on other questions, but can agree on their common interest in struggling for the real equality of rights of all persons, regardless of their race or color or nationality.

And in so doing, I am convinced, it moves us closer to the ending of all exploitation of man by man, of all national and racial oppression, towards the abolition of monopoly capitalism and the achievement of socialism.

Henry Winston
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