

This week in history: October 10 - October 16

10 October 2011

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: *Forbes* counts 26 US billionaires

There were 26 billionaires in the US in 1986, the business magazine *Forbes* reported in its annual “Fortune 400” list of the richest Americans. The number represented more than a doubling of billionaires since 1982, when the list was first published, as a means of celebrating greed and turning the clock back to the period between “the Civil War to the Great Depression, [when] the very rich came out of the closet and visibly enjoyed their wealth.”

The growth of enormous personal fortunes in the 1980s resulted from policies deliberately pursued by both the Republican Party under Ronald Reagan and the Democratic Party under his predecessor Jimmy Carter, and the Federal Reserve chairman under both presidents, Paul Volcker: an assault on workers’ jobs and wages, the gutting of the “tax burden” associated with social programs that benefited workers, the evisceration of regulation on big businesses and banks, and monetary policies that privileged financial speculation over industrial production.

The shift toward wealth derived from non-productive forms of accumulation was attested by the relative decline of individuals who derived their fortunes from manufacturing on the *Forbes* list. In 1986, inheritance—typically drawn from old industrial empires—was still “the most reliable way” to make the rich list, according to one account, but for the first time newcomers eclipsed the old money.

Atop the list with a fortune of \$4.5 billion, up from \$2.8 billion just one year earlier, was Wal-Mart founder Sam Walton. Junk bond king Michael Milken catapulted onto the list for the first time with a net worth that “far exceeds \$500

million.” Former Nixon Treasury Secretary William Simon had assets tabbed at \$200 million, realized through the new practice of “leveraged buyouts—in which debt used to make an acquisition is paid with money from the acquired firm’s operations,” as described at the time by the *Wall Street Journal*. Other “leveraged buyout kings” were notable for their presence on the list, the Associated Press reported.

As appalling as the list was, both in the magnitude and the origins of the fortunes described, the attack on the working class was only beginning. At the bottom of the 1986 list was Irvin “The Liquidator” Jacobs, described as a “corporate raider” by the *Wall Street Journal*, with a fortune of \$180 million. By 2006, it was necessary to have \$1 billion to make the *Forbes* list, and the combined net wealth of the richest had grown from \$180 billion to \$1.25 trillion.

[top]

50 years ago: Kennedy escalates Vietnam intervention

On October 15, 1961, US President John F. Kennedy dispatched Gen. Maxwell Taylor and an 11-member team to South Vietnam. The team was commissioned to make “an educated military guess” about whether or not the US needed to commit large-scale combat forces to prop up that country’s pro-Western dictatorship, then facing a popular insurgency that sought to unite southern Vietnam with North Vietnam under Ho Chi Minh.

Media claims that Kennedy was “reluctant” to commit to war in the former French colony were belied by the Taylor mission, which included key Kennedy confidant Walt Rostow, and by the fact that, unbeknownst to the American public, Kennedy on October 11 ordered the deployment of US air force units to carry out combat flight from Bien Hoa Air Base in South Vietnam.

The criminality and incompetence of the US-puppet South Vietnam regime was highlighted by its response to a massive flood the same week, in which an inland area was made a

“2,500-square-mile-sea,” according to one media account. While the Kennedy administration was preparing the air force for bombing raids, there was no support forthcoming for the estimated 1.5 million Vietnamese made homeless or hungry by the disaster.

[top]

75 years ago: Six-month strike by Palestinian Arabs called off without concessions from UK

The Higher Arab Committee called off a strike by Palestinian Arab workers and businesses on October 12, 1936, six months after it began, as a protest against the British Zionist policy of encouraging Jewish migration into Palestine to create a Jewish state. Fleeing mainly, but not exclusively, from Germany and Austria, tens of thousands of Jews fled to Palestine seeking refuge from fascism, anti-Semitism and pogroms.

The strike had begun during a serious rural crisis. Palestinian peasants suffered from high rents, falling commodity prices and heavy debts, exacerbated by the threat of losing their land to the Zionist Jewish Fund. Additionally, many Jewish capitalists and landowners only employed Hebrew labor.

The Higher Arab Committee was comprised of the elite nationalist leaders of the Palestinian Arabs, under the chairmanship of the Grand Mufti of Jerusalem. When regional Palestinian committees, emulating a Syrian movement earlier in the year, called for a general strike, the Higher Arab Committee was hastily formed by the Palestinian bourgeoisie to head the protest and keep it firmly under nationalist control. Like their Zionist counterparts, the Palestinian elite sought to divide Arab and Jewish workers. Central among the Higher Arab Committee’s demands was a call to end Jewish immigration.

The strike was called off before the orange harvest season began, thus preserving the incomes of the Palestinian Arab citrus growers, according to historian Joel Beinin. The Higher Arab Committee’s communiqué put the Palestinians’ fate in the hands of British imperialism, which had taken the Levant as a spoil of World War I. “[W]e rely on the good intentions of our friend Great Britain, who has declared that she will do [us] justice,” it read, calling an end to the strike.

[top]

100 years ago: Wuchang uprising sparks first Chinese revolution

On October 10, 1911, thousands of soldiers in the city of Wuchang, in China’s Hubei province, staged an uprising against local authorities. The troops secured control of Wuchang the next day, and seized the neighboring cities of Hanyang and Hankou, proclaiming an independent republic of Hubei province. Within a month and a half, 15 provinces, estimated at roughly two-thirds of China, had ceded from the Manchu dynasty. The uprising was the opening shot of the 1911 Chinese revolution, which led to the overthrow of the Manchu dynasty, and the proclamation of a republic in February 1912.

The Wuchang uprising took place amid an acute crisis for the Manchu dynasty, which was viewed by broad layers of the population as a corrupt instrument of the major powers. In 1900, the Manchu dynasty had relied on foreign troops to suppress the Boxer Rebellion, a mass movement of the urban poor and peasantry. In its aftermath, hostility grew to concessions in port cities, controlled by the major powers and policed by foreign troops. Sections of the state bureaucracy, the military, and the nascent Chinese capitalist class, hostile to the dominance of foreign interests, increasingly turned away from the dynasty. The introduction of cosmetic reforms, including the creation of provincial assemblies tightly controlled by the dynasty, did little to quell rising discontent. Uprisings earlier in 1911, in Canton in April, and Sichuan province in September, were brutally suppressed.

The decade prior to the revolution witnessed the growth of isecret societies composed of disaffected layers of the Chinese intelligentsia, attracted to bourgeois nationalist and democratic principles. These organisations, which were involved in the Wuchang uprising, oriented to different layers of the state bureaucracy and the propertied classes, but were incapable of mobilising the urban and rural masses, or of carrying out a thorough social transformation. Sun Yat-Sen, the nominal leader of the nationalist movement in China, was abroad at the time of the uprising, and played no direct role in its preparation.

[top]



To contact the WSWs and the Socialist Equality Party visit:

[wsws.org/contact](https://www.wsws.org/contact)