

Capitalism

from page 5

been so thoroughly discredited by the Great Depression, Roosevelt proposed the adoption of a "second Bill of Rights under which a new basis of security and prosperity can be guaranteed for all—regardless of station, race and creed."

23. During the next 20 years, in the aftermath of the Second World War, the United States and the global economy realized historically unprecedented rates of growth. Living standards rose significantly within the United States. But Roosevelt's second Bill of Rights remained a dead letter and the economic security that he proclaimed as a "right" never came close to being realized. Even in this most prosperous period of US history, nearly 20 percent of Americans remained mired in poverty. In 1964, President Lyndon Johnson proclaimed his "War on Poverty." But the promises of that campaign were abandoned as the global and internal contradictions of American capitalism mounted. From the 1970s onward, the Democratic Party shifted steadily to the right and abandoned its previous policies of liberal reform. This process corresponded to the decline in the world position of the US. During the last 40 years, the living standards of the working class have steadily declined. Major recessions in 1979-80, 1981-83, 1991-93, and 2001-03 inflicted immense economic harm to working people, even before the latest disaster began.

24. American capitalism proved incapable of realizing the promise of economic security and the elimination of poverty during the decades of its greatest successes. What, then, can be expected of this economic system in a period of breakdown and crisis?

American Workers and Socialism

25. There is no denying the fact that there exists a vast disparity between the historic character of the political and social tasks that confront American workers and their existing level of consciousness. But the program of a genuinely revolutionary party must be based on a scientific analysis of objective reality, not on impressionistic and usually false conceptions of what workers may or may not be prepared to accept. As Leon Trotsky, the founder of the Fourth International, explained: "Our tasks don't depend on the mentality of the workers. The task is to develop the mentality of the workers. That is what the program should formulate and present before the advanced workers." Moreover, the Socialist Equality Party emphatically rejects the claim, advanced by all sorts of demoralized skeptics, that the American working class is incapable of mounting a revolutionary challenge to capitalism and will never accept the need for socialism. This politically bankrupt outlook, infused with the sickly spirit of defeatism, is based on a

rejection of the laws of history and the lessons of past struggles.

26. The history of the American working class is one of difficult and relentless struggle. The story of its slow advance, in the face of the brutal resistance of the capitalist class, is written in blood. From the earliest class battles of railroad workers in the 1870s and the fight for the eight-hour day in the 1880s, to the establishment of mass industrial unions in the 1930s, the working class shed its blood and gave up its martyrs to end the naked tyranny of the employers. In the aftermath of World War II, the great wave of strikes that swept over every sector of industry wrested concessions from employers that led to a rapid rise in living standards. These struggles, in turn, inspired the great battles of African-American workers for civil rights in the 1950s and 1960s, which found broad support among working people and youth.

27. But the Achilles heel of the working class lay in the absence of an independent mass socialist movement, guided by Marxist theory. Even during the period of the most violent class battles, the working class remained, through its allegiance to the Democratic Party, under the political control of the capitalist class. From its earliest days, the American Federation of Labor (AFL) did everything in its power to maintain the political subordination of the working class to the big business parties. This remained the policy of the trade unions during and after the mass struggles for industrial unionism that swept across the United States in the 1930s.

28. There are many factors that underlay the failure of American workers to develop a politically independent mass socialist movement against capitalism: the sheer vastness of the American continent, the heterogeneity of a working class drawn to the United States from all over the world, the unscrupulous use of racism by the employers to "divide and conquer," the notorious corruption and criminality of large sections of the trade union bureaucracy, and the ferocity of the anti-communist red-baiting campaigns of the government, big business and the trade unions. Moreover, the crimes of the Stalinist bureaucracy in the Soviet Union gravely undermined the appeal of socialism in the eyes of American workers.

29. In the final analysis, the vast wealth and power of American capitalism was the most significant objective cause of the subordination of the working class to the corporate-controlled two-party system. As long as the United States was an ascending economic power, perceived by its citizens as "the land of unlimited opportunity," in which a sufficient share of the national wealth was available to finance rising living standards, American workers were not convinced of the necessity of socialist revolution.

30. The change in objective conditions, however, will lead American workers to change their minds. The reality of capitalism will provide workers with many reasons to fight for a fun-

damental and revolutionary change in the economic organization of society. The younger generations of working people—those born in the 1980s, 1990s, and the first decade of the twenty-first century—do not know, and never will know, capitalist "prosperity." They are the first generation of Americans in modern times who cannot reasonably expect to achieve a living standard equal to, let alone better than, their parents' generation. Young auto workers born in 1990 are paid less than half what their parents were once paid for doing the same work. As for the parents, many have lost their jobs and pensions. American working people are being drawn into the global maelstrom of a developing class struggle and are becoming aware of the emerging spirit of social resistance around the world, from Greece to Bangladesh. For decades, American workers were told that the Asian workers were their enemies, the producers of low-cost products that deprived them of their jobs. But now they read and hear of strikes in China, and begin to realize that the workers of Asia are not their foes, but their brothers and sisters.

31. A new world situation exists. The struggles of the working class must be based on an understanding of objective reality—that is, on a scientific understanding of the capitalist crisis and the lessons of history. The American working class requires a new perspective, a new program and a new leadership.

32. In his summary of the materialist conception of history, Karl Marx, the founder of modern socialism, wrote: "At a certain stage of development, the material productive forces of society come into conflict with the existing relations of production. ... From forms of development of the productive forces these relations turn into their fetters. Then begins an era of social revolution."² These productive forces, comprising not only factories, offices, tools and scientific knowledge, but the working class itself, are being strangled by the social relations of capitalism—private ownership and the division of the world into nation-states. The global financial crisis, the decline in production, the contraction in world trade, the gargantuan budgetary deficits, the instability of national currencies, the deterioration of relations between countries, the growth of militarism and, above all, the plunging living standards of the working class—all these interconnected processes signify the beginning of a new era of revolutionary upheaval. The needs of mass society cannot be met within the framework of a system based on private ownership of the means of production. The global development of the productive forces is being strangled by the capitalist nation-state system.

The Revolutionary Potential of the Working Class

33. Only through the struggle of the working class, the main revolutionary force in modern society, can a progressive solution be found to the crisis created by the breakdown of capitalism. The

working class is revolutionary because 1) it is the principal productive force in society; 2) the historical and political logic of its resistance to capitalist exploitation and oppression leads to the abolition of private ownership of the means of production, the replacement of the profit motive with the satisfaction of social needs as the driving principle of economic life, and the realization of genuine social equality among all people; and 3) it is an international class whose victory will break down the barriers of national states and unite humanity in a truly global community devoted to the protection and development of its common home, the Earth.

34. Never before in history has the working class comprised such a large proportion of the world's population. In countries, particularly in Asia, where modern industry hardly existed only 50 years ago, the massive inflow of capital has financed an immense growth in the industrial infrastructure and the working class. Within the historically advanced centers of capitalism of Europe and North America, the working class is the overwhelming majority of the population. Technological advances, shifts in the international division of labor, and the decline in the global position of American-based manufacturing have altered the composition of the working class. But the economic and social transformations in the United States have either expanded or created new categories of workers. In 1960, the year John F. Kennedy was elected president, women were still a relatively small percentage of the workforce. The "service industry" was in its infancy. "Programming" was the occupation of a small number of skilled specialists. No one yet spoke of "IT workers."

35. The size of the traditional middle class—"independent" small businessmen and farmers—has declined drastically. More significantly, its collective economic significance is a small fraction of what it was 50, let alone 80 years ago. American society has been "proletarianized" to an extraordinary degree. The vast majority of the people—whether they work in factories and on construction sites, or in offices, medical centers, shopping malls, primary and secondary schools, university complexes or scientific laboratories; whether they drive trucks, buses and trains or fly commercial aircraft—live from paycheck to paycheck. These workers share common problems and face a common enemy: the gigantic financial and corporate institutions that hire, fire and exploit them in the pursuit of profit.

36. There is a staggering contradiction between the economic and social significance of the working class and its negligible influence on the political direction of society. The concentration of wealth is accompanied inevitably by the concentration of political power. Within the United States, the financial and corporate oligarchy

has monopolized political power to an extent that has no equal in any other advanced capitalist country. The American working class has never succeeded in establishing its own mass political party. The present crisis has exposed the enormous price that the working class is paying for its subordination to the Democratic Party.

37. In the course of the great industrial strikes of the 1930s, which included the occupation of factories and pitched battles with the police in many major cities, American workers built a powerful national trade union organization, the CIO. In 1955, following its merger with the older federation of craft-based unions, nearly one-third of workers in privately-owned companies were members of the AFL-CIO. And yet even during its post-World War II heyday—which coincided with the international economic dominance of the United States—the AFL-CIO was crippled by its reactionary politics. The AFL-CIO accepted wholeheartedly the legitimacy of the capitalist profit system, was ferociously hostile to socialism, and sought to purge the unions, frequently with the use of violence, of left-wing, anti-capitalist influences. In keeping with its loyalty to capitalism, the AFL-CIO aligned itself with the Democratic Party, bitterly opposing all efforts to free the trade unions from the political domination of big business. Finally, the trade unions were ferociously nationalistic and identified the interests of the working class entirely with the imperialist policies of the ruling class.

38. Resting on these rotten foundations, the trade unions have proven incapable of defending even the most minimal interests of the working class, let alone improving its standard of living. For the last 30 years, the policies of the trade unions have brought workers nothing but defeats. The percentage of union-affiliated workers employed in the private sector is at its lowest level since the early 1900s! But the revenues of the union bureaucracy, composed of middle-class functionaries, are guaranteed by the services it performs for the corporations. In terms of policies and aims, there is no significant distinction between the corporations and the unions.

39. To hope that these corrupt, corporate-controlled organizations can be transformed, after decades of betrayals, into instruments of social struggle is to indulge in futile illusions. The failure of the AFL-CIO exposes, in the final analysis, the bankruptcy of its nationalist, capitalist and class-collaborationist program. A resurgence of working class struggle can be based only on a program that recognizes that the capitalist system has failed. The answer to this crisis will not be found in appeals to the corporations and the politicians they control for the reform of capitalism. Rather, the Socialist Equality Party insists on the struggle for workers' power and the socialist reorganization of society, within the United States and internationally.

Socialism is the Only Way For-

ward

40. Capitalism has failed the working class of the United States and the entire world. The time has come for the working class to fight for a different approach to the economic organization of society. The only viable alternative to capitalism is socialism: the reorganization of all economic life under the democratic control of the working class, to serve social needs, not private profit.

41. But socialism will be achieved only through the establishment of workers' power. This will require a difficult struggle. But the "final goal" of socialism—the abolition of economic exploitation, all forms of inequality, the oppression of one group of human beings by another group, and, consequently, the removal of all restraints on individual creativity and the flowering of human culture—is not the outcome of a mythical quest. The revolution that will lay the political basis for socialism is prepared in the course of countless struggles by the working class, in the US and internationally, to defend its interests and oppose the efforts of the financial and corporate aristocracy to impose the burden of the crisis on the masses. Socialism is not a gift to be given to the working class. It must be fought for and won by the working class itself.

42. The program of the Socialist Equality Party begins with the pressing needs of the working class. The SEP's demands and policies start not with what capitalism can "afford," but with what the working class and our complex and global mass society require. Nor does the SEP tailor its program to what small-minded opportunists and pragmatists may consider immediately "achievable." What can or cannot be achieved, in any given situation, is determined in struggle. Those not prepared to fight will never win anything. The demands of the SEP play an essential role in raising the social and political consciousness of the working class, and, as a result, strengthening its ability to fight.

43. The demands raised by the SEP are not separate from the goal of socialist revolution. Rather, each demand by its very nature raises a challenge to the material interests of the corporate aristocrats. As they encounter the resistance of corporations and the capitalist state to their legitimate demands, working people will see ever more clearly the need for the revolutionary transformation of society. The fight for these demands strengthens the working class, unifies its disparate struggles, and in each case poses the necessity of taking political power and establishing socialism in the United States, as part of the socialist reorganization of the world economy.

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