

Socialist Equality Party statement on the California recall election

# **Vote “no” on the California recall. Vote John Christopher Burton for governor, for a socialist solution to the crisis**

**Jobs for the unemployed! Billions for education, health care and housing! US troops out of Iraq!**

**30 August 2003**

1. The Socialist Equality Party (SEP) calls on working people in California to utilize the October 7 recall election to deal a blow to the Bush administration and the policies of war and social reaction of both the Republican and Democratic parties. We urge a “no” vote on the recall of Governor Gray Davis, in order to defeat this latest attempt by the Republican Party, acting in the interests of the corporate elite, to subvert democratic processes. At the same time, we offer no political support to Davis, Lt. Governor Bustamante or any other representative of the Democratic Party. We urge a vote for John Christopher Burton, a Los Angeles civil rights lawyer and SEP supporter, who is on the ballot to provide a socialist alternative, should the recall succeed, to the candidates associated with the two big business parties.

2. The California recall election has national and international significance. The social crisis in California is of unprecedented dimensions: on the one hand, a colossal state budget deficit, bankrupt schools and hospitals, skyrocketing housing costs, rising unemployment and poverty, deteriorating conditions of life for the vast majority of the population; on the other hand, the richest state in the richest country in the world, with an astonishing concentration of wealth in the hands of the corporate elite of CEOs, bankers and billionaires. A single individual in Silicon Valley, Oracle CEO Larry Ellison, has a personal fortune that peaked in 2000 at \$58 billion—more than enough to cover the entire state budget deficit.

3. In the face of this acute contradiction between the accumulation of private wealth and the needs of the broad public, the “major” candidates—Davis himself, the target of the recall, and his would-be successors, Democrat Cruz Bustamante and Republicans Arnold Schwarzenegger, Tom McClintock and Peter Ueberroth—agree that the burden of the crisis must be placed on the backs of the working people. They may differ on the exact mixture of budget cuts, fees and consumption taxes to impose, but none of them proposes any significant inroads into the wealth and income of the rich. In the final analysis, despite their demagogic about protecting the interests of ordinary people, they all represent and defend a wealthy elite.

4. The crisis in California represents more than the failure of the Davis administration in Sacramento. It is impossible to separate Davis’s policies—dictated by Wall Street, the giant energy companies, and the corporate elite as a whole—from the policies of the Bush administration in Washington and the crisis of the capitalist system on a world scale. The

crisis in California demonstrates the failure of the profit system at the very center of world capitalism. The needs of working people and the interests of society as a whole—the abolition of poverty, guaranteed employment at decent pay for all those able to work, universal health care, affordable and comfortable housing, new schools and increased funding for education, secure retirement and care for the elderly—have proven to be incompatible with an economic system based on the unrestrained accumulation of personal wealth.

5. The recall of Gray Davis and his replacement by Bustamante or Schwarzenegger will only set the stage for new attacks on working people. Nor will Davis himself, if he survives the recall, implement economic policies substantially different from those planned by his extreme right-wing opponents in the Republican Party. No progressive solution—i.e., one that serves the interests of the working class—is possible within the framework of the existing two-party system. Therefore, the recall campaign must become the point of departure for the building of an independent mass political movement of the working class directed against the Republicans *and* Democrats, and the profit system which they both defend. Such a movement must fight for the redistribution of wealth from the corporate elite to the working class—the overwhelming majority of the people—and the reorganization of economic life on genuinely egalitarian, socialist foundations.

6. The Socialist Equality Party and our candidate, John Christopher Burton, call on working people in California to transform the recall election into a referendum on the right-wing political consensus that prevails in Sacramento and Washington. This means raising, not only the vital issues of budget cuts and the defense of living standards, jobs and democratic rights, but also the struggle against imperialist war. The Socialist Equality Party demands the immediate withdrawal of all American troops from Iraq, Afghanistan and the entire Middle East. The war in Iraq is an attempt by the American ruling elite to seize control of natural resources and strategic positions from which to dominate the Middle East and Central Asia. It is a war for oil, profits and power, not a war to defend the American people from terrorism.

7. Bush, Cheney & Co. represent a faction of the corporate elite that sees military force as the only way to insure its domination, both internationally and at home. The Democratic Party, whatever its differences with the tactics employed by Bush in the run-up to war, supports the continued occupation of Iraq and the military subjugation of

the Iraqi people. The Greens, while nominally opposed to the war, treat it as irrelevant to a state election in California. It is, however, a delusion to believe that the budget crisis in California can be solved while the US government is pouring \$500 billion a year into the military and making an open-ended commitment to the occupation of Iraq, at an initial cost of \$75 billion a year—a figure that surpasses the budget deficits of all the state governments combined.

8. A tragedy on the scale of Vietnam is developing. The American people will pay for this war, both in the needless death of their sons and daughters and the deterioration of their conditions of life. Just as in the 1960s, it will prove impossible to pursue a policy of “guns and butter.” More than 30 years ago, the Vietnam War brought the “war on poverty” to a halt and set into motion the long economic decline of the US. Today, when liberal policies of social reform have long since been abandoned, Bush’s warmongering means an even more brutal assault on jobs, living standards and social services at home. Overall military spending already amounts to nearly \$2,000 for every man, woman and child in America. Vast resources are being squandered on seizing territories and natural resources and killing innocent people—resources that would otherwise be available to meet domestic social needs.

9. A policy of militarism and imperialist war is inevitably accompanied by internal repression and attacks on democratic rights. In the name of its so-called “war on terrorism,” the Bush administration has drastically undermined constitutional guarantees and established the institutional and legal framework for a police state. Embodied in the Homeland Security Department, the USA Patriot Act, the Guantanamo concentration camp, military tribunals, and the indefinite arrest and detention, without trial or legal counsel, of citizens and non-citizens alike is the most far-reaching attack on democratic rights in US history.

10. Far from representing a unique event that can be attributed to the mismanagement of an individual, the budget crisis in California is part of a broader crisis of American society. The \$38 billion state deficit is dwarfed by the \$455 billion deficit of the federal government, the \$500 billion-plus balance of trade deficit, and the gargantuan accumulation of debt by corporate America. These huge imbalances are the product of a historical breakdown of the profit system.

11. Even the most singular aspect of the California crisis—the plundering of the state by big energy monopolies such as Enron—is bound up with broader processes affecting the US and world economy. This was clearly demonstrated in the August 14-15 blackout of the northeastern United States, which revealed an important truth: the greatest threat to the well-being of the American people comes, not from terrorist bands or “rogue states,” but from the anarchic nature of the profit system and the selfish pursuit of personal wealth on the part of those who run the giant corporations.

12. The SEP takes as its starting point the needs of working people, not the requirements of the profit system. We state bluntly that the crisis of California and the United States as a whole requires a revolutionary change in the political and economic structure of society. The essential needs of approximately 250 million working class Americans must not be subordinated to the interests of a small corporate and financial elite that monopolizes political power to secure its own economic interests and increase its wealth.

## Democracy and the recall campaign

13. A small far-right group began collecting signatures for the recall within weeks of Davis’s reelection in November 2002. These efforts were making little progress until Republican Congressman Darrell Issa began

financing the recall out of his \$100 million-plus personal fortune. Presenting himself as Davis’s potential successor, Issa hired thousands of full-time petitioners to collect signatures at \$1 apiece, in a campaign that ultimately cost nearly \$3 million. In forcing a recall vote, these millions of dollars, not millions of voters, were the decisive factor.

14. The recall developed, not as an exercise in direct democracy, but rather as a perversion of the original intent of the recall procedure, which was established nearly a century ago to deal with corruption of politicians by wealthy individuals and corporate interests. The 2003 recall became the vehicle for a campaign, financed by an ultra-right multi-millionaire, to nullify an election whose results he did not accept. The purpose of this quasi-constitutional coup d'état was to institute drastic changes in public policy only months after California voters rejected the program of the far right in the 2002 election.

15. The California recall represents a continuation of efforts by far-right elements to force through their political agenda against widespread public opposition, using methods of backroom conspiracy and employing huge financial resources. These include the impeachment conspiracy against Clinton, the theft of the 2000 presidential election, and the ongoing efforts to pack the Congress through repeated re-drawings of legislative boundaries, for example, in Texas. As in these other cases, the aim of the recall is to create the conditions for removing all restrictions on the accumulation of personal wealth and corporate profit—an agenda that has little popular support and could not be imposed except through antidemocratic and illicit means.

16. Like impeachment, however, the right-wing effort to seize power by extraordinary methods has produced unintended consequences. No sooner was the recall certified than the Republican Party began to fracture, with Issa himself forced out of the race after the entry of actor Arnold Schwarzenegger. Another right-wing Republican, William Simon, the party’s candidate for governor in 2002, has also withdrawn in the face of dismal poll numbers, in a further demonstration of the lack of public support for the extreme-right agenda.

17. The recall procedure bypasses California’s restrictive ballot access laws. This enabled hundreds of people to file to run in the election for a replacement governor, should the recall of Davis pass, and 135 met the requirements to have their names placed on the ballot, including the candidate supported by the SEP, John Christopher Burton. While the media and political elite sneer that the presence on the ballot of so many ordinary people, without wealth or official recognition, reduces the election to a “circus,” it actually provides a far more accurate reflection of political views and social aspirations than what is normally provided by an otherwise stagnant, corrupt and unrepresentative political system.

18. What began as a conflict within the political and corporate establishment in the nation’s largest state has, to the consternation both of the Republicans who financed the drive against Davis and their Democratic targets, opened the way for the entry into the electoral arena of broader social forces. The hostility of the media to the proliferation of candidates, including many independent and third-party challengers, reflects the shock and fear within the American ruling elite at the prospect that the long-standing political monopoly of its two subservient parties may be coming to an end.

19. In his speech August 19, Davis for the first time clearly characterized the recall campaign as an antidemocratic effort by the Republican Party to seize power. But Davis is incapable of conducting any real struggle against this attempted political coup. His administration is typical of the Democratic Party in its attempts to adapt itself to the policies of the Republican right. It has sought to place the burden for the state fiscal crisis on the backs of the working population, through cuts in health care, education and other social services, combined with regressive tax increases, masked as fees. As a result, the Davis administration has enabled the right wing to exploit popular anger and frustration and

manipulate it in the form of the recall drive.

20. We oppose the recall, but not out of any sympathy for Davis, who is justifiably despised by working people throughout California. He has, in his own defense, been compelled to denounce the recall as a “right-wing power grab.” But neither he nor any other Democrat is capable of drawing the necessary conclusions: that the Bush administration is an illegitimate government, and that the Republican Party has come to be dominated by fascist-minded extremists and constitutes a standing conspiracy against democratic rights. The Democratic Party is incapable of seriously opposing this conspiracy because, in the final analysis, it is a rival faction of the same ruling elite.

21. Both parties rest on narrow social bases and none of their candidates have substantial popular support. The sclerotic and unrepresentative character of the two-party system has been exposed by the eruption of political activity and the proliferation of candidates in the recall election. This political jolt to the old political structure must have profound social causes.

## **The background to the crisis in California**

22. The recall campaign has unfolded against the background of the budget crisis in California, the most severe example of the economic crisis that threatens dozens of US states with the prospect of bankruptcy. For months the California government was deadlocked by a dispute between the Democrats and Republicans in the state legislature over how to deal with the \$38 billion budget deficit. Without the votes to enact their own policy in the Democratic-controlled legislature, the Republicans blocked any action in order to prolong the crisis and provide fuel for the recall campaign.

23. Both parties proposed to resolve the crisis at the expense of the working class. The Democrats proposed major cuts in public services as well as tax increases—a tripling of car registration fees and a rise in the sales tax—which would fall most heavily on working people. The Republicans demagogically postured as the opponents of all tax increases, while calling for even more drastic spending cuts. Both parties rejected from the outset any action that would compel the corporations and the wealthy to pay for the crisis.

24. The budget crisis has been developing in California for a quarter century, going back to the passage in 1978 of Proposition 13, a ballot initiative that severely limited the levying of property taxes. These were, until then, the principal source of California state revenues, and remain today the basis for financing most other state governments in the US. Proposition 13 was the product of a right-wing campaign—considered so extreme at the time that even Ronald Reagan refused to endorse it—to mount an indirect attack on social spending for education, health care and welfare programs by slashing state revenues.

25. The success of Proposition 13, with its populist appeals for a “taxpayers’ revolt” against “big government,” was a product of the bankruptcy of Democratic Party liberalism, and the dead end of its policy of limiting all social reform measures to that which was acceptable to the profit system. Under the conditions of “stagflation” in the late 1970s—a combination of soaring price increases and near-zero economic growth—there was a tremendous squeeze on the living standards of working people throughout the US, including large sections of the professional middle class and small business owners. In California this took the form of record increases in property taxes—triggered by rising property values—which had to be paid out of dormant or declining real wages or the fixed incomes of retirees.

26. The Democratic administration of then-governor Jerry Brown made

no attempt to alleviate this crisis, opening the way for right-wing demagogues to posture as the defenders of middle-class homeowners and retirees threatened by rising property taxes. Although the media and the political establishment of both major parties opposed the measure, it passed easily. The main beneficiaries of Proposition 13, however, were not retired workers or other struggling homeowners, but the biggest owners of property—the giant corporations and the very wealthy.

27. The 1978 “tax revolt” in California prefigured the election of Reagan as president two years later and the policies—pitting sections of the middle class against the poorer sections of workers—which were employed over the next two decades to destroy social welfare programs and build up the political power of the Republican right. In a similar fashion, the current political crisis in California foreshadows political eruptions on a national scale, which will threaten the stranglehold of the two entrenched big business parties.

28. In the years following 1978, more such ballot initiatives were adopted in California. Some were sponsored by the far right and big business, adding new limitations to the state’s taxing powers. Others were sponsored by the Democratic Party or groups linked to it, including the trade union bureaucracy, and mandated specific levels of spending for health care, public schools and other programs. The result is that more than 80 percent of all state government revenue and spending is mandated by voter initiatives or constitutional amendments, and not subject to legislative action. Even if the state legislature had eliminated all discretionary spending in the current budget crisis—shutting facilities, eliminating jobs, cutting paychecks—there would still have been a massive deficit.

29. For a time, in the 1990s, the inherent conflict between these tax and spending mandates was masked by the flood of revenue generated by the stock market boom, especially the explosive growth of the computer and software industry in northern California. During Gray Davis’s first term, beginning in 1999, burgeoning state revenues made it possible to maintain and even increase spending on public services without breaching the constraints of Proposition 13 and similar measures.

30. But even before Davis’s election, the forces that would undermine the financial boom were already at work. The Asian economic crisis of 1997-98, hitting California’s biggest export market, was followed by the collapse of the dot-com bubble in 2000, devastating Silicon Valley and culminating in the onset of statewide and nationwide recession in 2001. Nowhere was the liquidation of paper wealth so calamitous as in California. Since the revenues of the country’s largest state were largely dependent on income and capital gains taxes, as opposed to property taxes, the state budget was swiftly plunged into deficit.

31. The crisis was exacerbated by the systematic robbery of California residents by the giant energy trading companies, above all Enron. Deregulation, enacted by Davis’s predecessor, Republican Pete Wilson, and continued under Davis, allowed the energy companies to rig the market, jack up prices to astronomical levels, and reap billions in profits. The energy crisis cost the people of California over \$40 billion, and the state government alone over \$10 billion, tipping the budget from surplus to deficit.

32. The crisis of the state has been further intensified by the policies of the Bush administration, which is slashing social spending and presiding over the greatest destruction of jobs and public services since the Great Depression. This year’s tax cut legislation, which poured over \$700 billion into the coffers of the wealthy (on top of a \$1.6 trillion tax cut windfall in 2001) doled out a miserable \$20 billion to state governments, under conditions where 38 states face bankruptcy and California alone has a deficit more than twice the total federal aid.

## The historical contradictions of capitalism

33. It would be a mistake, however, to view the present crisis as merely, or even primarily, the product of recent stock market gyrations and the crimes of certain corporate executives, or even the policies put in place by the Bush administration. These factors are themselves the outcome of more profound historical processes. The state of California is not merely one political jurisdiction among many in the United States; it is the most concentrated expression of the contradictions and crisis of American and, indeed, world capitalism.

34. What is California? If any state expressed the American dream in the 20th century, it was California, rising on the far western periphery of the United States to become the most populous, dynamic and influential American state. For much of the post-World War II period there was a relentless movement of the American population to the West Coast, with California as the principal destination. It was home to Hollywood, Silicon Valley, a huge aerospace industry and the most productive agricultural region in the world, as well as the focal point for the burgeoning US trade across the Pacific Ocean. If considered as a separate country, it would have the fifth largest economy in the world, greater than France.

35. California epitomizes the diverse character of the American population, and especially the new waves of immigration in the 1980s and 1990s, mainly from Latin America and Asia. The scene of anti-Chinese rioting in the 19th century, and the mass detention of Japanese-Americans during World War II, California is now the first state in which blacks, Hispanics and Asians make up the majority of the population, and US-born whites are a minority.

36. California expresses in concentrated form both the dynamic tendencies of American capitalism and its internal contradictions. Jump-started by huge outlays on warships and arms production for the struggle with Japan, California became, during the decades that immediately followed the Second World War, a major center of manufacturing, especially in automobiles, steel, shipbuilding and aerospace. Beginning in the 1970s, these industries went into decline, as they did throughout the United States. By the 1990s, there was only one (Japanese-owned) auto plant in California, no shipyard industry to speak of, and aerospace had undergone a severe contraction.

37. While these manufacturing industries shifted production to offshore locations in Latin America and Asia, the rising computer and software industry replaced them as the engine of California's economy. Though the scientific foundations for computerization had been established during World War II and in the subsequent development of transistors, serious corporate interest in computerization gathered strength in the late 1960s and early 1970s, in response to the deepening economic problems confronting American capitalism. Computerization arose as a response to declining profit rates in manufacturing that became pronounced in the early 1970s. It was seized on and developed as a means of increasing labor productivity—that is, increasing output while cutting jobs through the computerized reorganization of the workplace.

38. In contrast to earlier periods of technological innovation, the destruction of US jobs through the reorganization made possible by computerization was not offset by employment possibilities in new mass production industries. Revolutionary advances in communications and transportation, also bound up with computer-associated technologies, vastly increased the mobility of capital. The process of globalization, epitomized by the transformation of American corporations into transnational conglomerates, radically and permanently altered the conditions of life for the working class. Workers now face a situation in which the major corporations, American and foreign, scour the globe for ever-cheaper sources of raw materials and labor.

39. Millions of manufacturing jobs have been destroyed as corporations

shifted operations to low-wage areas. Industrial workers have borne the brunt of this relentless process, but it is already affecting broader sections of the working population. Even labor processes requiring highly skilled workers—such as computer programming—are being transferred overseas.

40. The answer to this situation entails an entirely new strategy for the working class. The SEP rejects protectionist measures, such as those proposed by the trade union bureaucracy. All efforts to restrict economic development within a national straitjacket are inherently reactionary and doomed to failure. Worst of all, they promote the destructive and chauvinistic illusion that workers in other countries are the enemies of American workers. In reality, workers in all countries are part of an *international class* that confronts the same enemy: the *international capitalist system*.

41. The reality of globally organized capitalism requires that the working class adopt a world strategy. Workers in North America cannot be indifferent to the social conditions of workers in any other part of the world. In order to defend their jobs and conduct an effective struggle against their “own” corporate bosses, they must develop an international strategy that unifies all sections of the international working class in a struggle against the capitalist system.

42. It must be stressed that internationalism is not only a matter of solidarity between workers in the United States and other countries. It is a prerequisite for developing the unity of all sections of the American working class. California, like the United States as a whole, is home to an extraordinarily diverse population. As the economic crisis intensifies, reactionary politicians attempt ever more brazenly to exploit divisions among workers from different national and ethnic backgrounds. The Socialist Equality Party denounces such efforts—whether in the form of racist appeals or the victimization of immigrant workers—and calls for the unity of all sections of the working class.

43. The deterioration in the conditions of life of millions of working people proceeds side by side with the amassing of obscene fortunes on a scale not seen since the days of the robber barons. This enormous social polarization has had definite social and political consequences, undermining the reformist perspective on which the old labor organizations were based, and contributing to the rise of the most reactionary and parasitic elements within the ruling elite.

44. The goal of these elements is to remove all obstacles to the extraction of the maximum profit from the labor of working people: union conditions, to the extent that they still represent any benefit; environmental, health and safety regulations; taxation on business income and inherited wealth; the progressive income tax; the eight-hour day; and even restrictions on child labor are targeted for elimination. In place of the limited redistribution of wealth downwards, once advocated by liberalism to stabilize the profit system, the right wing demands the redistribution of wealth upwards: plundering working people through the destruction of basic public services and the social infrastructure, in order to increase the private wealth of the privileged few.

45. Both big business parties accept and defend the basic social framework of American capitalism: the domination of all aspects of life by private wealth and production for profit. In the Republican Party one hears the unrestrained blood-cry of the ruling class—the maniacal, irrational fixation on the accumulation of personal wealth, through the removal of all legal, social and moral restraints on the exploitation of the working class. The Democratic Party, more so in California than anywhere else, still postures as the representative of liberalism and the defender of social services such as health and education. But, as the record of the Davis administration demonstrates, the Democrats are no longer able to combine welfare-state spending with the demands of corporate America.

## A program based on social need, not profit

46. The social problems of California are the problems of every industrialized mass society. The broad masses of people need the same things: secure jobs that provide a decent income; social services such as education and medical care; affordable and decent housing; the prospect of a secure retirement; access to the basic infrastructure of modern life—electricity, water, roads, mass transportation, telecommunications.

47. The Socialist Equality Party advocates a Bill of Social Rights for the working class. We call for:

\* A government guarantee of a secure, good-paying job for everyone able to work.

\* A rise in the minimum wage to \$15 an hour, indexed to inflation.

\* A shift in the burden of taxation from the working people to the very wealthy and the big corporations. Abolition of sales and property taxes on working class households, and their replacement by sharply progressive taxes on the income and wealth of the richest households.

\* Free, high-quality, K-12 public education; free access to higher education for all,

\* Universal, comprehensive medical coverage for all.

\* A program of public works to provide jobs for the unemployed and rebuild the social infrastructure, including schools, roads, mass transportation and water, power and sewage systems.

\* A program of state-subsidized housing construction to build millions of homes that working people can afford.

\* Protection of the environment from the ravages of profit-driven exploitation by big business; strict enforcement of air and water pollution standards.

\* A guaranteed right of workers to join a union and control the union democratically; the outlawing of union-busting tactics and wage-cutting.

\* Full democratic rights, including citizenship, for immigrant workers, whether legal or “illegal”; the removal of all restrictions on their access to education, medical care and other services.

\* Retirement security at a decent income for all working people.

\* Government support for small and medium-sized businesses.

48. Spokesmen for the political establishment will reject such demands as extravagant or unaffordable. “Who is to pay for it?” they will ask. The answer is not difficult to formulate: we live in the richest society in human history. The task facing working people is the struggle to take control of the trillions of dollars in wealth created by their own collective labor, but monopolized by a relative handful of giant corporations and super-rich individuals. If this vast wealth were put under public control and utilized for the benefit of all the people, rather than a privileged few, all of these demands could be easily satisfied.

49. Under the profit system, all social needs are subordinated to an economic order that gives primacy to personal wealth accumulation by a relatively small layer of people. The scale of the social needs is immense: crumbling schools, decaying roads, dysfunctional utilities, rotting urban and rural housing, a polluted environment. The ruling elite refuses to take any responsibility for meeting these needs, while it monopolizes the vast bulk of society’s wealth.

50. The California recall election has focused particular attention on the issue of taxation. The state budget crisis is, in the final analysis, the product of the refusal of those who control the resources produced by the labor of the working population to allow those resources to be used to meet the people’s needs. To prevent the continued misallocation of resources, tax policy must be employed to override the selfishness and greed of the super-rich and free up the resources required for schools, health care, housing and other social priorities.

51. The current state tax system places its greatest burden on those least able to afford it—the working people who pay the bulk of state fees and

sales and property taxes. This must be halted through a policy that limits taxation on the vast majority of the population, while sharply increasing taxes on high incomes and accumulated wealth through a progressive income tax. Such a policy will also end the effective exemption of large commercial facilities from the property tax and eliminate tax loopholes and incentives for big business.

52. A socialist program does not mean the nationalization of everything, or the abolition of small or medium-sized businesses, which are themselves continually victimized by giant corporations and banks. Establishing a planned economy will give such businesses ready access to credit and more stable market conditions, so long as they provide decent wages and working conditions.

53. In the case of the most vital and critical industries—the utilities, the oil companies, the banks, the giant multinational corporations—what is required is their transformation into public utilities, under public ownership and democratic control. If California proves anything, it is the intrinsic anarchy and chaos of capitalism. The claim that the “market makes the right choices” is a self-serving lie, peddled by those whose decisions frequently determine the movement of the market—e.g., the corporate CEOs who award themselves eight- and nine-figure incomes and then proclaim that this plundering of their own companies is the result of impersonal market forces.

54. The struggle against militarism will free up vast resources for meeting social needs. The American ruling class has squandered trillions of dollars over the past five decades, first using the Cold War confrontation with the Soviet Union as a pretext, and now the “war on terrorism.” But the principal danger to the democratic rights of the American people comes, not from Islamic fundamentalists or any other foreign source, but from the efforts of the ruling elite in the United States to hold onto and increase its wealth and privileges.

55. The Socialist Equality Party calls for the repeal of the antidemocratic measures adopted by the Bush administration, with the collusion of the Democrats in Congress. The Homeland Security Department—a focus for intensified spying and repression of the American people, rather than their protection from terrorists—must be dismantled. The USA Patriot Act must be repudiated, and police-state practices such as indefinite detention and the denial of legal counsel banned. Democratic rights—including the right to vote and have one’s vote counted; privacy rights; the separation of church and state; freedom of assembly, speech and expression—must be defended and extended.

56. An important step in addressing the current crisis will involve reversing the systematic looting of the past two and a half decades, in which the biggest transfer of wealth in history has been carried out. Under Republican and Democratic administrations alike, there has been a vast redistribution of wealth upwards, to the point that the top one percent controls well over 40 percent of the total wealth of American society. Particular attention must be paid to investigating the speculative activities of the 1990s and the criminal appropriation of corporate resources by CEOs at the expense of the workers and small shareholders. This stolen wealth must be recaptured and used to improve social services and working class living standards.

## The political independence of the working class

57. Even more important than direct corruption, the class interests of the ruling elite make rational solutions to social problems impossible. American politics descends more and more to the lowest level of public spectacle, characterized by mudslinging and scandal-mongering, because the one subject that is off-limits for discussion is the most important: the

role of the private accumulation of personal wealth in blocking any serious approach to meeting social needs. Working people cannot resolve the crisis without breaking the grip of private wealth on all policy questions and on the political system itself.

58. This should include the strictest measures to forbid the use of private wealth in politics, whether in the form of corporate lobbying or the legalized bribery known as campaign contributions. The California recall itself is a demonstration of the malign influence that even a single multimillionaire can exert on the political system. There is no way that democracy can be reconciled with such a colossal accumulation of wealth and all the power that goes with it. There cannot be political equality between the multimillionaire CEO or investor, who can easily write the checks that finance US political campaigns, and the wage earner or small businessman.

59. Candidates such as the liberal columnist Arianna Huffington and Green Party leader Peter Camejo do not represent a political alternative to the two big business parties. Both campaigns accept the framework of the profit system and propose reforms of the most limited character. (Camejo's budget policy is the same as Arnold Schwarzenegger's: to hire an independent auditor to review the state's books.) Politically, Huffington and Camejo are subservient to *both* the Democrats and the Republicans. On the most critical question in the October 7 election, the antidemocratic character of the recall, they both side with the Republican right. They urge a vote to remove Davis and justify the campaign financed by millionaire Darrell Issa as though it were a genuine popular movement from below. In the vote for a replacement governor, Huffington declared that she would withdraw if a Democrat acceptable to her, such as Senator Dianne Feinstein, were to run. Camejo, for his part, said he would withdraw in favor of Huffington if her campaign appeared to be gaining support.

60. The role of the SEP is to build a new political leadership among working people. We are fighting, through our daily international journal of political analysis and commentary, the *World Socialist Web Site*, to educate workers and prepare the way for the emergence of a mass movement against the profit system. Our candidate for governor, John Christopher Burton, is a longtime civil rights attorney and defender of the rights of victims of police abuse. We stand for these basic principles:

\* **The international unity of the working class:** Under conditions of a globalized economy, no section of workers in any state or country can be indifferent to the conditions of workers in other parts of the world. The brutal exploitation of workers in China by transnational corporations, for example, has direct consequences for workers in California and throughout the US. The answer to the globalized economy is not protectionism and trade warfare, but rather a policy of international solidarity and a strategy for raising the living standards of workers all over the world.

\* **The political independence of the working class:** Working people, the vast majority of the American population, are effectively disenfranchised by the political system, with no influence within the Democratic or Republican parties, which are both controlled by corporate interests. Nor can their interests be defended by the existing labor organizations, which have been unable to elaborate any coherent response to the crisis and cling to the semi-corpse of the Democratic Party. New workers organizations are required, which will mobilize working people as an independent force. Above all, the Socialist Equality Party must be built as the mass political party of the working class.

\* **Social needs before private profit:** The basic principle upon which the program of the SEP is founded is that social needs take priority over private wealth. There are two alternatives: either working people will pay for the crisis, and suffer a further loss of jobs and wages and a further decay in conditions, leading to a social catastrophe; or they will compel the ruling elite to disgorge the wealth which is the product of class

exploitation.

61. We call on all those who agree with these principles not only to vote for John Christopher Burton on October 7, but also to contribute actively to the development of the *World Socialist Web Site* and contact, join and build the Socialist Equality Party.



To contact the WSWS and the Socialist Equality Party visit:

**wsws.org/contact**