

# Jerry White in Berlin: “At the heart of the financial crisis lies the historical decline of US imperialism”

Our reporter  
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Jerry White speaking at the meeting in Berlin

On Thursday evening, Jerry White, presidential candidate of the Socialist Equality Party in the US, spoke at the Technische Universität in Berlin. He had been invited by the International Students for Social Equality (ISSE).

The meeting generated great interest. Close to 100 students and workers gathered in one of the university's large seminar rooms, with some travelling from Leipzig to hear White speak.

White began his speech with a reference to Karl Marx. He said he had just arrived from Britain where he had addressed three successful meetings. In Manchester he had the opportunity to visit the famous Chetham Library, "You can see the places where Karl Marx and Friedrich Engels sat and carried out their economic studies," said White, describing the impressive atmosphere in this venerable old library, which was established in the middle of the 17<sup>th</sup> century.

Referring to the present world financial crisis, White noted that almost all the commentators, experts and advisers of the ruling elite in business and politics claim that the crisis "could not be foreseen and came as a complete surprise." The development of the crisis, however, had not caught the Marxist movement by surprise.

White dealt with the extent of the present crisis, observing that the US and European governments had made about \$5.4 trillion in public funds available in recent days to bail out the banks. The managers of these banks were being entrusted with the distribution of massive amounts of taxpayer funds.

People are being asked to trust the very same bankers and speculators who were responsible for the financial crisis in the first place. At the same time, there was no attempt to explain the causes of the financial crisis and to call those responsible to order.

In his introduction to the meeting, ISSE speaker Marius Heuser had pointed to the thoroughly undemocratic character of the German government's latest rescue package, which was worth billions of euros. Heuser stressed that this had been pushed through parliament without any serious discussion in an attempt to suppress the widespread resistance to the plan within the population.

Jerry White took up this point and stressed that present events in Germany and Europe clearly revealed the true character of the "social market economy." As in the US, "in Europe and also here in Berlin, a small financial elite decides the fate of society," White said, adding, "The same people, who for years have preached that the coffers are empty, with no money being available to pay for better wages, education, health care, culture and other social benefits, are now making billions of dollars and euros available if the financial aristocracy requires it.

"When in the past has the class character of governments and the state been so clearly revealed?" White asked.

He stressed, however, that the bailout would not put an end to the financial crisis because its origins lie in the decline of the economic supremacy enjoyed by the US after the Second World War. In past decades, many industrial jobs in the US were destroyed and the growth of private wealth became increasingly removed from the actual process of the creation of value by the working class.

White then dealt in greater detail with the historic crisis of US imperialism, stressing that Washington's growing militarism was an attempt to compensate for the loss of economic strength and was targeted at keeping America's European and Asian rivals in check. The election of a President Obama would not change this fundamental course.

Since the primaries, Obama has made it clear that under his presidency the US military would not be drawn down, but would merely be taking another direction.

Everywhere in the world, working people confront an economic disaster. In every country, the ruling elite has decided to place the entire burden of the crisis on the backs of the working class, White stressed. Dictatorial forms of rule are already becoming visible and the danger of war is increasing.

The history of the Great Depression of the 1930s shows that the international working class can only respond to the dangers of fascism and war by acting independently politically and by developing a socialist alternative. In the US this means breaking from any illusions in this or that wing of the Democratic Party, and in Europe it is necessary for workers to make a conscious political break with the reformist bureaucracies of the Social Democratic Party and the Left Party.

"The large banks must be subject to the democratic control of the working class, which created the enormous wealth of the today's society," said White, and he outlined a socialist alternative. Only the working class can rationally allocate social resources to develop the economic and social infrastructure, financing a programme of public works so that nobody remains without employment, health care and education.

The great problem today is that no party articulates the interests of the working class, White said. This is why the building of a new party is necessary, in order to fight for a workers' government with a socialist perspective. The Socialist Equality Party in the US and its sister parties around the world are dedicated to this task. White called on those present to study the SEP's history and programme and to participate in building this new party.

White's speech was followed by a lengthy discussion. One audience member asked whether it was actually possible to build a socialist party in the United States, where American workers—unlike their European brothers and sisters—had not yet established their own independent mass socialist party. White answered by sketching out the great militant struggles of the American working class in the past. He stressed that the present financial crisis would not only once again unleash great social conflicts, but it would also create the impetus for a significant change in the consciousness of American workers and the international working class.

The widespread illusions in capitalism are breaking down, White said, and it is increasingly obvious that democratic conditions are incompatible with such a degree of social inequality. However, socialist consciousness does not arise automatically, but must be brought into the working class by a revolutionary party. The SEP has pledged itself to this

task.

One participant said she thought the financial crisis had displaced the debate over great social problems, such as the effects of climate change. In answer, it was explained that it was necessary to understand the connection between the financial crisis and the environmental crisis. Global warming and its consequences are not predominantly a technological question. It is well known what needs to be done. The environmental crisis is one of the sharpest expressions of the irresponsibility of the ruling elite, whose profit system is not only destroying the financial and social system, but threatening the whole globe.

The view of the Greens in the US and elsewhere—that unrestrained consumption by the working class makes it responsible for the environmental crisis, and therefore consumption must be limited—is thoroughly reactionary. Such demands have been adopted by the ruling elite to justify cutting wages and social programmes.

The influence of religion on the American political system was also discussed. White said that while the goal of religious propaganda is to divert the working class from social questions, the influence of the church is diminishing insofar as it is unable to provide the working class with an answer to political problems.

Another participant asked about the use of the military domestically and the threat of emergency laws to secure the implementation of the Bush administration's rescue package. In response, White said that in every country the billions being spent to bail out the banks were connected to attacks on democratic rights. However, the defence of democracy is not possible within the framework of the capitalist profit system and requires a socialist perspective.

In the course of the discussion, the central question of the history of the Fourth International was also addressed, including the irreconcilable struggle against the betrayal of the interests of the working class by Stalinism and social democracy. White stressed that it is not just any new party that the working class needs, but the Socialist Equality Party, and in Germany the Partei für Soziale Gleichheit, which are based on the rich history of the Trotskyist movement.



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