

SEP candidates complete successful campaign tour

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The Socialist Equality Party has completed a successful tour of its candidates in the month leading up to the US general elections. The SEP has hosted a series of public meetings for presidential and vice presidential candidates Jerry White and Bill Van Auken, entitled "The origins and implications of the financial crisis: A Marxist analysis."

White and Van Auken spoke at well-attended meetings across the US and Canada. The candidates addressed meetings in Detroit and Ann Arbor, Michigan; Bangor, Maine; Berkeley and Santa Monica, California; Portland, Oregon; Pittsburgh, Pennsylvania; Chicago and Champaign-Urbana, Illinois; and New York City.

Additionally, White spoke to gatherings of workers, students and youth hosted by sections of the International Committee of the Fourth International in London and Manchester, England; Glasgow, Scotland; and Frankfurt and Berlin, Germany.

In their presentations, White and Van Auken offered an analysis of the economic crisis and its implications for the working class. This approach differs sharply from the campaigns of the Democratic and Republican presidential nominees, Barack Obama and John McCain, both of whom offer no serious explanation of the present world financial crisis. To do so, they say, is to play "the blame game."

White explained to audiences that to have open discussion of the origins of the crisis "poses enormous danger to the ruling elite, given the fact that the overwhelming majority of the population is opposed to the bailout of the financial elite and believes that public resources should be directed toward social needs instead."

He added, "People are being told to place their faith in presidents and prime ministers, unelected central bankers, so-called financial experts, who up until the last few weeks aided and abetted the looting of society by the financial aristocracy. In fact, those playing the leading role in the bailouts were some of the very same banking executives who are responsible for the crisis, and whose institutions stand to make the largest gains from the government funded schemes."

In their presentations, White and Van Auken took a historical approach to the economic crisis. They explained that the US had emerged from World War II as the leading economic power, producing half of the world's industrial goods.



Jerry White speaking at the University of Illinois-Chicago

However, from the late 1970s, US industry faced intense competition from the rebuilt economies of Europe and Asia. In response, the American bourgeoisie launched a policy of deindustrialization. This was set into motion by former Federal Reserve head Paul Volcker, now the leading economic adviser to Barack Obama, who raised interest rates to 20 percent, initiating a deep recession. The aim was to use mass unemployment to weaken the working class, impose a drastic reduction in its living standards, and to free up capital for financial speculation, which offered a faster return on investment.

The Reagan administration, with the full support of the Democrats, then carried out a frontal assault on the working class—smashing unions, victimizing militant workers and imposing a severe reduction in workers' living standards. While there was enormous resistance by the working class—among auto workers, coal miners, steel workers and others—the trade union bureaucracy isolated these struggles and worked for their defeat. As defenders of the profit system, the unions joined with the employers in slashing labor costs while promoting economic nationalism.

The result of these developments was a rapid increase in social inequality. With stagnant or declining living standards and family savings nonexistent, working people were forced to endure heavier and heavier debt burdens: car loans, house

loans, student loans, credit cards. Consumer debt exploded, as did the national debt as the US was transformed from the largest creditor nation to the largest debtor nation in the 1980s.

In this context, the capitalists turned more and more to the bundling together and selling of debt as a new source of profit, which in turn accelerated the processes of deindustrialization. White pointed out that by 1990 financial services had eclipsed manufacturing in the share of US Gross Domestic Product--by 2005, financial services comprised 20.4 percent of GDP, compared to manufacturing with only 12 percent.

White recalled, "In the 'new' post-industrial society and 'service economy,' we were told, banking executives, hedge fund managers and other financial speculators, were the 'innovators.' They deserved millions if not billions for risking their own money in new financial ventures. The tens of millions who worked in the hospitals, laid down telephone wires, assembled commodities in the factories, they claimed, were overpaid laggards, if not totally expendable."

"It was a house of cards that had to come crashing down," White said. "You actually do have to produce something. The only source of value is in the surplus labor of the working class. The ruling class thought they could skip the entire process."

As for how to respond to the crisis, White and Van Auken outlined a political perspective diametrically opposed to that shared by Obama and McCain. Both the major party candidates insist that the working class will have to foot the bill for the economic crisis engulfing millions. Both enthusiastically support the ongoing multi-trillion-dollar bailout of the same predatory capitalists that have brought the world to catastrophe. This is so because both Obama and McCain are political representatives of the ruling class. What minor differences that exist between the two revolve around the question of how best to secure the interests of American capitalism at home and abroad.

The program of the Socialist Equality Party, on the other hand, represents the needs of the working class. White explained, "The working class must take genuine democratic control over the financial institutions and economic decision-making by expropriating the owners, without paying compensation to those who have swindled society.

"The banking system and the vast social resources—which are the product of the collective labor of working people—must be utilized in a rational and democratically planned character to rebuild the cities, infrastructure and basic industries. This should include a massive program of public works to hire the unemployed and greatly expand education, health care, housing and retirement benefits for

working people."

The SEP meetings attracted readers of the *World Socialist Web Site*, working people and members of the SEP and its student group, the International Students for Social Equality (ISSE), which hosted many of the meetings. In a number of instances, people traveled great distances to hear White and Van Auken.

Many students and workers expressed interest in joining the SEP and the ISSE. White and Van Auken reported that in many cases those attending wanted to continue discussion well after the time to leave the meeting rooms had passed. For many, it was the first encounter with a Marxist perspective.

The questions and discussion at the meetings show that the economic crisis is propelling growing numbers to seek solutions to the crisis. Audiences asked the SEP candidates to explain the meaning of socialism, and how it could be achieved.

Thoughtful questions were raised about the history of the Russian Revolution and the Soviet Union, the SEP's appraisal of Hugo Chavez and the Chinese Revolution, the danger of a return to the draft in the US, the nature of fascism, the SEP's opposition to the death penalty, to list only a handful. Audiences eagerly discussed the question of the bailout of Wall Street, and were unanimous in their anger over the measures taken.

Several thousand dollars were raised at the meetings and more funds have been raised through online donations to the SEP campaign.

The SEP encourages all those who attended the meetings, and others who may have been prevented from attending by work or school obligations, or travel distance, to contact us through the *World Socialist Web Site*, carry on a political dialog, donate to our campaign, and consider joining the SEP and ISSE.



To contact the WSWS and the Socialist Equality Party visit:

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