

Laying the foundations for a socialist movement

David North, Joseph Kishore
12 March 2009

The *World Socialist Web Site*, together with the Socialist Equality Party and the International Students for Social Equality, is sponsoring a series of conferences in the United States on "The world economic crisis, the failure of capitalism, and the case for socialism."

These conferences are being held as world capitalism is in the grip of the greatest economic crisis since the 1930s.

World production and trade are falling dramatically. Global GDP will contract in 2009 for the first time since the end of World War II. Approximately \$50 trillion in asset values has been destroyed on world markets, a figure that approaches the value of the entire world's output in a year. In the United States, the economy is contracting at an annual rate of more than 6 percent. Industrial production will fall by more than 15 percent this year.

The most significant implication of the economic collapse is the impact it is having on the lives of hundreds of millions of people.

Global unemployment will rise this year by at least 50 million. In the United States, 4.4 million jobs have been eliminated since the recession began in December 2007. The official government unemployment figure of 8.1 percent underestimates the number of American workers who do not have jobs or who are underemployed. Modern day "Hooverilles"—tent cities and shanty-towns—are emerging throughout the country, as hundreds of thousands find themselves without the ability to pay for life's basic necessities.

In the face of this crisis, the policies of the Obama administration are not only ineffective, they are reactionary. His administration, which includes many of the Wall Street insiders who participated in and profited from the financial parasitism of the last three

decades, has failed to advance any measures that challenge the power and interests of the corporate elite.

For all the hype surrounding Obama's appeals to "hope" and the desire for "change," his policy in all its essentials continues that of the Bush administration. The multi-trillion-dollar handouts to Wall Street begun last year have been expanded under the new administration. Obama's anemic "stimulus" program will not stop the hemorrhaging of jobs, and the administration is planning a major attack on Social Security and health care entitlement programs. Moreover, the occupation of Iraq continues, and tens of thousands more American troops are being dispatched to Afghanistan. The fundamental attacks on democratic rights developed under Bush—including the use of torture and indefinite detention, a vast expansion in the role of the military, and domestic spying—remain in place.

The economic and political crisis represents a historic failure of American and world capitalism. The nostrums that proclaimed the infallibility of the "free market," sang hymns to "private enterprise," and celebrated obsequiously the lifestyles of the rich have been exposed as intellectually and morally bankrupt.

Contrary to the self-serving claims of the corporate elite and its media apologists, this crisis was neither "unforeseeable" nor merely the product of the actions of various corrupt individuals. It is the outcome of long-developing contradictions of American and world capitalism. The nature of these contradictions—rooted in the system of private ownership of the means of production, the exploitation of labor for the sake of profit and the nation-state system—have long been analyzed and exposed by Marxism.

These contradictions not only produced an economic collapse, but this collapse is immensely intensifying the

conflict between the capitalist powers, leading to new neo-colonial crimes and the danger of world war.

The present crisis vindicates the perspective of socialism—that the survival and future of human civilization requires the end of the political and financial dictatorship of big business, the abolition of private ownership of the productive forces of society, and the creation of a democratically-controlled and globally-planned economy dedicated to the satisfaction of human needs, not private profit.

These conferences will examine the historical origins of the present crisis and develop a programmatic response that meets the needs of the working class. This program must be rooted in socialist internationalism—which proceeds from the unity of the interests of workers in every country in the transformation of global society.

The growth of the class struggle, arising out of the objective crisis itself, is on the agenda. The aim of socialists must be to provide a political perspective and build a leadership that can meet the challenges of the new revolutionary epoch. We urge all our readers to attend these conferences and commit yourself to this most critical of tasks.

David North and Joseph Kishore

Click here to register for conferences in Ann Arbor, Michigan (April 25); New York, New York (May 3); and Los Angeles, California (May 10). If you cannot attend these conferences, but would like to learn more about joining the SEP, click here.



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact