

SEP and WSWS hold regional conferences in US

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On May 10, the *World Socialist Web Site*, Socialist Equality Party and International Students for Social Equality held the third and final conference in a series of regional meetings, “The World Economic Crisis, the Failure of Capitalism, and the Case for Socialism.” The conference in Los Angeles, California followed earlier meetings in New York City (May 3) and Ann Arbor, Michigan (April 25).

The conferences drew participants from across the country. In Michigan, students and workers attended from throughout the Midwest (See, “SEP and WSWS hold first of three regional conferences.”). In New York, participants came from Maine, Massachusetts, Connecticut, Pennsylvania, Virginia, New Jersey, North Carolina, Minnesota, and Texas. The Los Angeles meeting included attendees from Oregon and Nevada, as well as participants from throughout the state, including significant delegations from Northern California, San Diego and the Los Angeles metropolitan area.

The conferences examined the nature and historical origins of the capitalist crisis and discussed a socialist perspective for the working class.

The principal speakers at the meetings were David North, the national chairman of the SEP in the US, and Nick Beams, the national secretary of the SEP in Australia. The WSWS will post their reports beginning on Tuesday.

The conferences also reviewed a resolution outlining the socialist program in response to the capitalist crisis. SEP (US) national secretary Joe Kishore explained that the resolution would form the basis for the party’s intervention in the working class and the fight for socialist policies. It was adopted unanimously at the three conferences and will be posted on the WSWS.

David North began his remarks by noting, “Nearly eight months have passed since the collapse of the Wall Street investment bank, Lehman Brothers, began the greatest economic and financial crisis since the breakdown of 1929...This crisis will be protracted—lasting years, not months—and its long-term consequences will be far-reaching. History is being made, and the world that emerges from this crisis will be very different from that which existed prior to the Lehman Brothers collapse of September 15, 2008.”

North reviewed the vast scope of the present world economic crisis, including the latest statistics on production, unemployment, and trade. He said that whatever the short-term fluctuations in the economic situation, there could be no return to the *status quo ante*. “The previous conditions are gone and will not return,” he said. “This is not only because massive damage has been done to the global financial system. This crisis marks the breakdown in the global structure of world capitalism as it emerged from the Second World War.

“It is not an accident that the present crisis originated in the United States,” North said. “The essential significance of this crisis lies precisely in the fact that it arises out of the long-developing deterioration of the dominant global economic position of the United States.”

“This crisis is the form in which a fundamental restructuring of the American and global economy, and the social and class relations upon which it is based, is taking place,” he continued. “It can be resolved only in one of two ways: Either on a capitalist or on a socialist basis. The first, the capitalist solution, will mean a drastic lowering of the living standards of the working class in the United States, Europe and throughout the world. This solution will require massive internal repression, the destruction of the democratic rights of the working class, and the unleashing of military violence on a scale not seen since World War II.

“The only alternative to this catastrophic scenario is the socialist solution, which requires the taking of political power by the American and international working class, the establishment of popular democratic control of industrial, financial and natural resources, and the development of a scientifically-planned global economy that is dedicated to the satisfaction of the needs of society as a whole, rather than the destructive pursuit of profit and personal wealth.”

North explained that the present crisis could be linked to the response of the American ruling class to the breakdown of the Bretton Woods post-World War II monetary system in the late 1960s and 1970s. In 1979, the ruling class launched a major counter-offensive against the working class, seeking to increase exploitation. Large sections of industry were dismantled, accompanied by the enormous growth of the finance industry.

North spent some time examining the development of the trade unions. In response to the corporate-financial attack on the working class, North noted, “The AFL-CIO bureaucracy sanctioned a wave of government and corporate strikebreaking.” The unions increasingly adopted a corporatist policy of collaboration with management, transforming themselves into organizations that were no longer associated, even in a distorted way, with the defense of the interests of the working class.

“After a decade of sabotage, the AFL-CIO, UAW and Teamsters were unions in name only. They had ceased to exist as organizations that were in any way associated with the defense of the working class. Rather, they served the financial and social interests of an upper middle-class stratum of right-wing functionaries, policing workers on behalf of and in collaboration with the corporations.”

Throughout the 20th century, American society was characterized by major social upheavals. This social conflict continued in the 1950s and 1960s, and was manifested in major working class strikes, the civil rights movement, and the urban revolts of the late 1960s.

However, the integration of the AFL-CIO into the management structure brought with it a collapse of strike activity. This decline was not bound up with any lessening of class antagonisms, North explained. On the contrary, the past thirty years has seen an extraordinary growth of social inequality. “This gap [between the growth of social inequality and the decline of strike activity]—which can be defined as a potential ‘zone of conflict’—has reached dimensions that are not compatible with social ‘peace’...The social contradictions of the United States have reached a point where an explosive renewal of the class struggle is unavoidable.”

In opening his remarks, Beams brought greetings on behalf of the International Committee of the Fourth International and the SEP in Australia. “It is of great importance for the working class and oppressed masses all over the world that [the conferences were being held] at the very center of world capitalism, in the belly of the beast,” he said. The ICFI is the only organization striving to advance a socialist and internationalist solution to the economic crisis.

Beams said that the explanations of the various economists and media commentators fail to provide a scientific explanation of the crisis because they attribute the crisis to various external or superficial failings, rather than to the basic dynamic of capitalist development itself.

Beams presented a different analysis, examining the historical development of the capitalist system over the previous period. The present crisis, he said, “means that all the ‘coping’ mechanisms of the past two decades have disintegrated. The bourgeoisie intends to return the entire working class to the type of poverty which considerable sections already

experience.”

In response, Beams said, “the working class must re-enter the social and political struggle. And it must do so armed with a new political perspective based on an understanding of the tasks posed by the breakdown of the capitalist order. That is, it must advance its own independent initiative for the reconstruction of the world social and economic order. Nothing less will do.”

The conference resolution brings together many of the themes addressed by the speakers, and it outlines a socialist program. It explains that the Obama administration is a representative of the corporate and financial elite, reflected in all its policies, foreign and domestic. The new government has given massive handouts to the banks while demanding wage and job cuts from the working class. It is continuing the Iraq war and expanding the war in Afghanistan and Pakistan.

“Obama won the 2008 election by appealing to popular opposition to the Bush administration and the desire for ‘change,’” the resolution states. “However, the class character of the new administration is emerging ever more openly. The actions of the new administration demonstrate that nothing can be changed so long as the working class remains tied to the Democratic Party and the two-party system.”

The resolution calls for the resumption of class struggle and the formation of new organizations of the working class—independent of and in opposition to the trade unions—to organize and direct these struggles.

This resumption of class struggle must be based on a new political strategy, the resolution argues: “The starting point must be the recognition that the struggle is against the capitalist system, a system based on the exploitation of the working class in the interests of private profit.”

The resolution outlines the essential elements of a new socialist political program for the working class, including: the international unity of the working class; an emergency social and public works program; the nationalization of the banks and major corporations; social equality; an end to militarism and war; and the defense of democratic rights. It ends with a call for building the ICFI, the SEP and the ISSE.

At all three conferences, there was extensive discussion on the reports and resolution. Questions centered on the historical degeneration of the trade unions, the nature and historical origins of the capitalist crisis, and the activity of the SEP. There were also numerous suggestions made for changes to the resolution, which will be incorporated before publication.



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