

Letters from our readers

23 January 2010

On "The banks and socialism"

Thanks for writing this indictment of the capitalist system, and explaining how the payment of many tens of billions of dollars in bank bonuses exposes the "the very nature of capitalism as it limps into the 21st century".

The bonuses (paid for at our expense) and the examples you cite of the top bankers' "conspicuous consumption"—"\$15,000-a-week Caribbean getaways", "\$200,000 platinum wrist watches" and real estate "in the \$2 million to \$5 million range"—would make the worst financial parasites in the novels of Balzac or Dickens look like petty crooks.

The hideousness of their social crimes are brought into sharp relief when next door to their "Caribbean getaways", millions of Haitians are suffering a nightmare of destruction, forced to dig into the wreckage of their houses with their bare hands to determine the fate of their loved ones.

As you correctly state, no reforms will (or could) change this situation; rather, the "death grip of the banking elite over the wealth of society must be smashed."

We are experiencing the pangs of a system in an extremely advanced stage of decay, when any capacity it may have had for rational preventative action has long since fallen away, and things that would have once been considered criminal and gangster-ish have come to be the norm for the "lumpen bourgeois" who now dominate.

Tony J
UK
14 January 2010

I note the author's comment on the global character of this phenomena.

Here in the UK, Stephen Hester, the chief executive of the Royal Bank of Scotland argued in front of a panel of MPs that the Royal Bank of Scotland had a duty to its shareholders (i.e. the tax payers, who after the bailout now own the bank) to safeguard their interests by paying out multimillion pound bonuses as reward to bankers engaged in the very same type of speculations that brought about the most recent economic catastrophe. He explained to the Treasury Select Committee that, although it may seem grossly unfair to pay out such massive rewards, it was both wise and necessary to pay out a "minimum" amount (or, the market rate) in bonuses to its staff so that the bank could maintain a competitive pay scale in the jobs market for speculative bankers. This is nothing short of an indictment of the market system itself and, although unwittingly, straight from the mouth of one of its biggest beneficiaries and apologists.

What transpires as the "minimum" amount in bonuses amounts to more than a billion pounds at the Royal Bank of Scotland alone.

It may seem prudent and correct to pay these bonuses in the context of a market system where, as Hester explains, it is a necessary tactic to compete for the best employees. But anybody can see (except those that have their noses in this trough) that this payment of bonuses is outrageous and wrong, especially in these economic circumstances. However, the vast majority of the electorate and the elected do not know how to untangle this apparent contradiction.

As Hester implies, it is the "hidden hand of the market" that makes these payment necessary and the bonuses will continue to be paid whilst ever it holds the reins. Despite Hester laying the blame for this injustice squarely at the door of the market system, this system is so deeply revered by the MPs that make up the committee that they will never contemplate a conclusion to their enquiry that would be in anyway critical of it. Coupled with this blind faith in the sanctity of capitalism is the inevitable manifestation of corruption and vested interests which follows such concentrations of power and money. So the result of the Treasury Committee inquiry will be to accept Hester's assertion that the bonuses are outrageous and unfair but also intrinsically necessary, rational and proper. We can expect no restriction on bank bonuses and no real backlash in the mainstream media.

As ever, it is a question of perspectives and the revolution cannot ensue until the majority share a socialist one.

MB
UK
15 January 2010
On "Record US foreclosures in 2009"

Regarding job statistics, this article states "the ratio of job seekers to open positions was greater than six to one...counting the unemployed and underemployed, the ratio balloons to 11 to 1." Having gone through over a year of unemployment, my personal experience is that most of the jobs available right now require either a specialized degree or years of experience in a field that the majority of those thrown out of work do not qualify for. In other words, I suspect that the real ratio is probably ten times that number for the average job seeker.

I live in an area where the recession has been declared over, yet when I found a job, I was the winning candidate from over 100 applicants. The job pays so low that I have qualified for food stamps and the home weatherization programs.

Troy J
Arkansas, USA
16 January 2010

Guns instead of butter

To describe the attitude of Obama's government against his own people shortly and precisely, you have only to use this old German saying. While

more and more people lose their jobs and homes, the Nobel Peace Prize winner drives the war budget into astronomical heights. With George Bush, you knew what you had to expect: more and more war. The new President speaks of peace, but he makes it clear that he will obtain it by more war. The two wars he inherited from Bush are not enough for him; he wants to go into Yemen and Somalia, perhaps in the end Iran. The only hope is that the US will be totally, not only morally, as it is already today, bankrupt by then.

Michael S
17 January 2010

On "Hundreds of thousands feared dead in Haiti"

The great capitalist power will rush to Haiti to provide "help." This "help", first and foremost, will be to "help" insure that the catastrophe doesn't serve to overthrow a system of virtual slavery and impoverishment inflicted upon the Haitian people for decades that has enriched so many US capitalists for so many profitable years.

Brian
Florida, USA
14 January 2010

Brilliant article. This double book keeping of bleeding heart liberalism for victims of natural disasters and indifference to victims of imperialism is disgusting. Especially as Haiti's problems are magnified by the centuries of intervention by the US state.

Keep it up.

VT
14 January 2010

On "Millions more US children in poverty"

A national tragedy, and naturally things are always worse here in the American South where I live. Used to be a kid could get a cheap nutritious meal at school if not at home—and now they're gutting that too. Words do not suffice . . .

Child poverty affects every aspect of our culture and imperils our future. Kids who don't eat well—and who must bear all the other attendant pathologies of poverty—cannot learn. Yet, those who support the current corrupt capitalist paradigm have trillions to piss away on the parasitic super rich.

I'm trying not to go on a rant here.

Thank you for continued cogent and timely reporting on these important issues.

Rob M
Alabama, USA
13 January 2010

On "Emails implicate Treasury Secretary Geithner in cover-up of AIG deal to bail out the banks"

The kind of mass extortion that Wall Street represents will spark a massive social explosion if not a revolution. Borrowing Paul Pena's eloquent paraphrasing of that old Fred McDowell blues standard, when "The Storm gets ready...you gotta move".

Heinz S
13 January 2010

On the World Socialist Web Site

I've been reading your website for years. I appreciate its thoughtful analysis and the context that the writers provide for each story. I notice that stories are based on reliable sources. I've sometimes seen news on your website that I had not seen elsewhere before, and have not seen anywhere else afterward. Thanks for providing a socialist antidote to mainstream media.

Eric G
15 January 2010

On "Germany's highest labour judge defends sacking workers for next to nothing"

In a case such as that of Emmely, where the employee challenges his dismissal in the courts, the employee or her legal representative should point out that the employer on a daily basis is robbing the employee of a portion of his working day. If the presiding judge doesn't agree that this is occurring, then he should be asked to explain how it is that an investor in a business enterprise can earn income without even having to think about what the business is doing or how it operates. If the President of the Federal Labour Court were to learn of this argument in defense of the dismissed, she would probably have a fit.

At any rate, it is very sad that at the present time the working class is apparently in such a weak position that the employers can even think of dismissing employees under the circumstances described in this article.

Peter L
Maine, USA
15 January 2010

On "Egor Gaidar (1956-2009): Architect of capitalist restoration in Russia"

I just wanted to say briefly how pleased I am with Vladimir Volkov and Andrea Peters' article on Egor Gaidar. The quotes they have presented in this piece are extraordinary and lay to bare the long term and remarkably conscious planning behind the capitalist restoration in the Soviet Union. The 1990 quote from shock-therapist Anatoli Chubais is surreal: "[T]he immediate social consequences of the speeding up of market reform, will be a general lowering of the standard of living...growth in the differentiation of prices and incomes of the population' and 'the emergence of mass unemployment.'" Can the criminal outlook of these people be any more clear?

TJ M
Massachusetts, USA
18 January 2010



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