

At Republican presidential debate

“Wages are too high,” declares billionaire Trump

Patrick Martin
12 November 2015

Tuesday night’s Republican presidential debate began with something rare in American political life: an open expression of class policy, in which the billionaire who leads the Republican field declared his opposition to any pay increase for the tens of millions of workers making poverty wages, on the grounds that low pay was necessary to make American capitalism more competitive.

In the first question posed to the field of eight Republican candidates, Donald Trump was asked whether he was sympathetic to demands for an immediate hike in the minimum wage to \$15 an hour. He replied, “I can’t be ... and the reason I can’t be is that we are a country that is being beaten on every front economically.”

He went on to add that in his view, taxes were “too high, wages too high, we’re not going to be able to compete against the world. I hate to say it, but we have to leave it [the minimum wage, now \$7.25 an hour] the way it is. People have to go out, they have to work really hard ...”

The candidates currently second and third in polls of likely Republican voters gave similar responses. Retired neurosurgeon Ben Carson claimed, “Every time we raise the minimum wage, the number of jobless people increases. It’s particularly a problem in the black community. Only 19.8 percent of black teenagers have a job ... and that’s because of those high wages. If you lower those wages, that comes down.”

Senator Marco Rubio of Florida was asked a different question, but insisted on responding on the minimum wage issue. “If I thought that raising the minimum wage was the best way to help people increase their pay, I would be all for it,” he said, “but it isn’t. In the

20th century, it’s a disaster. If you raise the minimum wage, you’re going to make people more expensive than a machine. And that means all this automation that’s replacing jobs and people right now is only going to be accelerated.”

These statements, which took up less than 10 minutes, revealed more about the nature of class relations in America than all the debates and campaign speeches, and all the campaign commentaries that have filled up countless hours on broadcast and cable television and endless column inches in the national press.

Wages are “too high,” says the capitalist Trump, and make it more difficult for American companies to compete in the world market. The solution to unemployment is to “lower those wages,” says Dr. Carson, a multi-millionaire Christian fundamentalist now tied with Trump in many polls. If you raise the minimum wage, “it’s a disaster,” says Senator Rubio, who is increasingly viewed as the consensus choice of Wall Street and the Republican Party establishment for the nomination.

None of the other Republican candidates raised any objection to these sentiments, which make nonsense of all their posturing in the remainder of the debate about defending the “middle class,” fighting for “good jobs,” or bemoaning the growth of poverty, food stamp use, small business bankruptcies and other indicators of the deepening social and economic crisis of American capitalism.

The question to Trump was provoked by the nationwide demonstrations Tuesday by fast food workers demanding a \$15 an hour wage, which culminated in a rally of several thousand workers

outside the Milwaukee theater where the Republican debate was held. The “Fight for 15” campaign has been organized by a section of the trade unions, led by the Service Employees International Union, with the backing of pseudo-left groups like the International Socialist Organization and Socialist Alternative.

These organizations are trying to channel the legitimate anger of the young workers participating in these protests into the dead end of support for the Democratic Party in the 2016 elections. Bernie Sanders addressed one of the Fight for 15 rallies, while Hillary Clinton—who only backs a raise in the minimum wage to \$12 an hour—tweeted her support.

The Democratic Party in power, however, in the person of President Barack Obama, has pursued the same basic economic program outlined by Trump, Carson and Rubio. The Obama administration forced through a 50 percent wage cut for new hires in the auto industry, to as little as \$14 an hour, as part of its bailout of GM and Chrysler (now FCA) in 2009. This was necessary, the White House declared, in order to make the auto industry competitive with its foreign rivals.

Outright wage-cutting was combined with Obama’s phony health care “reform,” aimed at cutting the cost of benefits for American employers, and the refusal of the administration, with a Democratic Congress in 2009-2010, to raise the minimum wage or index it to inflation. As a result of this inaction, the federal minimum wage has been frozen at \$7.25 an hour for more than six years. Considering inflation, low-paid workers have taken a severe wage cut under Obama.

Cutting US wage levels in order to boost the profits of American companies and make them more competitive in the world market is the axis of Obama’s policy of encouraging “in-sourcing” by US corporations. As Obama boasted in his 2014 State of the Union address, “for the first time in over a decade, business leaders around the world have declared that China is no longer the world’s number one place to invest; America is.” A major element of this “success” is the slashing of US production costs to near Chinese levels.

There is a cynical irony in the promotion of the “Fight for 15” slogan by the unions and the Democrats. It is not low-wage workers who will be lifted up to \$15 an hour, but those at higher wages, like first-tier workers at GM, Ford and FCA, who are being reduced

to that level. \$15 an hour is not to be the floor under the living standards of the working class, but the ceiling.

What the Republicans demand in brutally reactionary terms—cut wages, cut benefits, boost profits—the Democrats actually implement, even while disguising the effect of their policies under a cloud of populist rhetoric, with the political assistance of the unions and the pseudo-left. The contradiction between words and actions is so stark that in the 2016 election campaign, the Democrats have had to resort to a self-proclaimed “socialist,” Senator Sanders, to give their pro-Wall Street program a left cover.

The political lesson for the working class is clear. The defense of living standards and decent-paying jobs requires a break with both the parties of big business, the Democrats as much as the Republicans. The working class must build an independent mass political movement of its own, based on a socialist program. Workers must fight for a drastic redistribution of wealth and income: the confiscation of the vast wealth of the super-rich, and the reorganization of economic life to serve the needs of the vast majority of working people, not private profit.



To contact the WSWWS and the
Socialist Equality Party visit:

wsws.org/contact