

Bipartisan back-to-work campaign produces catastrophe

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The COVID-19 pandemic in the United States has developed into an unmitigated catastrophe. On Monday, the United States recorded more than 65,000 new cases, and daily cases are at nearly twice the earlier peak seen in mid-April. The US accounts for a third of the total new cases globally, despite having just four percent of the world's population.

In Florida, more than 40 hospitals are full, and hospitals in Texas are turning away ambulances. People are waiting in line for days to get tested, and America's rudimentary and fractured public health system—relying on fax machines to share data and waiting up to a week for test results—is inundated. Nurses and doctors are facing a critical shortage of protective equipment.

This catastrophe is the outcome of the premature reopening of businesses throughout the country. Since non-essential manufacturers reopened two months ago, the number of COVID-19 cases has more than doubled to 3.4 million, and some 43,000 more people have died, bringing the death toll to 138,000.

A social crime is being committed, with devastating consequences. However, in the countless hours devoted to discussions of the pandemic on the cable news and in newspaper columns, no one seriously asks: Who is responsible? Who made the decision to prematurely reopen businesses? And what social interests have dictated policy?

Of course, Trump and his far-right Republican allies, who downplayed the pandemic and encouraged people to disregard social distancing, have played a crucial role. Trump is waging a war against the director of the National Institute of Allergy and Infectious Diseases, Anthony Fauci, for daring to point to the obvious fact that the pandemic is now raging out of control.

However, it is not just a matter of Trump. Nearly every governor, Democratic and Republican alike,

reopened non-essential businesses while the country lacked sufficient testing and contact tracing.

As states reopened non-essential production throughout early May, more than half did so as "case counts are trending upward, positive test results are rising, or both," according to an analysis by the *New York Times*. Among the states that reopened without meeting the most basic federal guidelines were Maine, North Carolina, Kansas and Colorado, all of which have Democratic governors.

This campaign included the active participation of the Democratic-aligned media. The *New York Times* ran no less than 11 columns by Thomas Friedman advocating for "herd immunity"—i.e., the abandonment of measures to contain the pandemic, while the *Washington Post* published an editorial calling the "Swedish model" of herd immunity "appealing."

The universal demand to return to work has been dictated by Wall Street and the corporate and financial oligarchy. For the ruling class, the pandemic has been a giant money-making opportunity. One bond trader spelled it out clearly in an interview with Reuters:

COVID-19 is now inversely related to the markets. The worse that COVID-19 gets, the better the markets do because the Fed [US Federal Reserve] will bring in stimulus. That is what has been driving markets.

Since March, the Fed has funneled \$3 trillion into the markets, increasing its balance sheet from \$4 trillion to over \$7 trillion. This policy was endorsed nearly unanimously by Democrats and Republicans in Congress when they passed the so-called CARES Act

in late March.

This unlimited supply of money has fueled a massive rise in asset values. The S&P 500 stock index touched its highest level Monday since the outbreak of the pandemic, and it remains above where it was a year ago. One money manager recently told *Fortune*, “We are in irrational exuberance—this is a bubble... The economy is grinding, slowing down, we’re lurching in and out of COVID, yet the tech market makes new highs every day. That’s a classic speculative bubble.”

It is this vast upward redistribution of wealth that explains the intensity of the campaign to herd workers into factories that are hotbeds for the spread of COVID-19. While the trillions of dollars of “magic money” pumped into the financial markets may be fictitious, the wealth of the financial oligarchy—their jets, their supercars, their mansions and condominiums—are very real. This wealth must, in the end, be sweated out of the working class.

The case of Tesla CEO Elon Musk can be taken as a specific example. On May 11, Musk announced the resumption of production at Tesla’s main facility in California, defying state law, with the complicity of the state’s Democratic Party government.

In the period since Tesla reopened, its stock has surged by 50 percent, making it the largest carmaker by market capitalization. This, in turn, has led to a surge in the personal wealth of Musk by \$30 billion, to \$70 billion, triple his net worth just two years ago.

Getting workers back on the job was critical to this milestone. The *Financial Times* noted that Tesla was “foregoing upwards of \$500m in revenues a week amid the shutdown, money that a company that has never had a profitable year can ill-afford to forego.”

In a letter to employees, Musk pointed to the impetus for reopening. “Breaking even is looking super tight,” he said. “Really makes a difference for every car you build and deliver.”

As a result of the massive expansion of Tesla’s stock value, Musk is set, within a matter of days, to receive the highest CEO payout in history—by an order of magnitude—in the form of a \$2.4 billion bonus.

The policy that has been implemented is not socially neutral. It is not about saving the “economy,” but saving Wall Street and maintaining and indeed expanding the wealth of the capitalist oligarchy that holds the vast majority of financial assets.

From the standpoint of the ruling class, the pandemic has had other advantages. To the extent that older people are the primary victims, it will help lower rising health care costs—long cited by ruling class think tanks as a strategic problem.

The mass unemployment created by the pandemic likewise has its benefits for the ruling class. Whereas the US was facing the tightest labor market in decades earlier this year, the economic crisis sparked by the pandemic has destroyed tens of thousands of jobs, many of them permanently.

The Trump administration has been leading the call to eliminate the \$600 weekly unemployment insurance subsidy passed under the CARES Act, but this demand has also received bipartisan support. Democratic Connecticut Governor Ned Lamont joined the chorus of demands for allowing workers’ benefits to expire, declaring that it “discourages work.”

Critical to the ruling class’s back-to-work campaign is the drive to reopen the schools, which, amid a raging pandemic, threatens the lives of tens of thousands of students and teachers and will inevitably lead to a further rise in new cases in the public at large.

The ruling class is intent on using the COVID-19 pandemic to expand and intensify the processes that prevailed before its outbreak: the growth of social inequality, the dismantling of social infrastructure and the transformation of the American labor force into a casualized pool of cheap labor.

A social crime of monumental proportions is being committed, whose victims pack the morgues and cemeteries from coast to coast. The guilty parties are the representatives of the ruling class, Republican and Democratic, and their accomplices in the media. The motive lies in the defense of the wealth of the oligarchy and the capitalist system. The response of the working class must be socialist revolution. This is the inescapable conclusion that flows from the pandemic.



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