

Markets soar as the corpses pile up

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Wednesday was a disaster in the United States. There were 71,670 new cases of COVID-19 recorded, the second-worst day on record. Nearly 1,000 people lost their lives to the disease, according to official figures.

With Texas hospitals at 90 percent capacity, dozens of mobile morgues are being dispatched to the state. In Florida, 54 hospitals now have zero available beds in their intensive care units. And, amid a full-on drive to reopen schools, officials said that one third of children who were tested in Florida were positive, adding to the body of evidence that children can play a major role spreading the disease.

The Institute for Health Metrics and Evaluation at the University of Washington reported that it estimates 224,089 people will die from COVID-19 by November 1, an upward revision of 20,000 from just one week ago.

Meanwhile, the most basic medical supplies, such as masks, gowns, gloves and disinfectants, “simply are not readily available from the usual sources our physicians use,” the American Medical Association reported.

The economic situation is equally disastrous. American Airlines said it would likely furlough 25,000 workers later this year, adding to the 36,000 furloughs announced at United Airlines last week. These layoffs are scheduled to take place despite the \$25 billion bailout of the airline industry by the federal government.

The Organization for Economic Co-operation and Development (OECD) now predicts two possible scenarios by the end of 2020. Its “pessimistic” scenario is one in which the unemployment rate remains at 11.3 percent and economic output falls by 7.3 percent, both worse than any other recession since World War II. Its “more pessimistic” scenario is one in which the unemployment rate is 12.9 percent and economic output falls by 8.5 percent.

Amid all of this death and economic devastation, the

stock markets surged, with the Dow Jones Industrial Average closing up for the fourth trading day in a row, with an increase totaling over a thousand points. The S&P 500 is now significantly higher than it was one year ago today.

Wednesday’s market binge was triggered by the announcement early in the day that Goldman Sachs, the Wall Street investment bank, posted one of its most profitable quarters ever, doubling the predictions of analysts.

There is no longer any question of the extent to which the stock market and the fate of society have totally separated. “The stock market and the economy have parted ways,” Mark Zandi, chief of Moody’s Analytics, told the *Washington Post*.

The massive run-up in stock prices and the profits of banks has only one explanation: The capitalist state has put at the disposal of its masters in the financial oligarchy unlimited amounts of money, the central purpose of which is nothing other than the enrichment of the wealthiest people in the world. As a result of the massive surge in the markets, US billionaires have become some \$600 billion richer since mid-March.

To date, the Federal Reserve has funneled more than \$3 trillion dollars into the financial markets, in addition to the \$2 trillion in economic stimulus—much of it in the form of corporate bailouts—created by the CARES Act passed in late March.

All the claims that the bailout of major corporations by the CARES Act and the Fed’s bailout of Wall Street had anything to do with helping the mass of the population are totally exposed by what has taken place.

It would be hard to imagine a more corrupt social order than currently exists. The pandemic has become a favorable factor for enriching the financial oligarchy. As long as the crisis provides the pretext for massive bailouts by the Federal Reserve, there is no incentive to bring it under control.

If there were, even for a minute, any cutoff of the massive subsidies to the markets, there would be a devastating crash on the scale of that which took place in March, when the Dow fell by 50 percent.

The financial oligarchy lives at the expense of society, not just through class exploitation in factories and workplaces, but through the massive upward redistribution of wealth through the mechanism of the market.

While it has been hell for millions of people, the pandemic will be seen by sections of the ruling class as a certain golden age. As the bodies piled up, the oligarchs quarantined themselves in their beachfront properties and condominiums, flying between their residences on private helicopters and, at the sign of the slightest sniffle, attended to by private physicians.

It makes no difference that corpses are piling up in refrigerated trucks around the country. The bank accounts of the rich keep getting bigger and bigger.

As tens of thousands die, the ruling class and its media mouthpieces have only two demands: Reopen the schools and cut unemployment benefits. “American children need public schools to reopen in the fall,” declared the lead editorial of the *New York Times* on Friday. On Wednesday, it called for “a plan to reduce the payments” to workers “as the economy recovers.”

In the endless discussion of the pandemic in the media, there is never any examination of the social interests that drove the back-to-work campaign and the ensuing resurgence of the pandemic.

During the First World War, a major factor in keeping the war going—even as tens of millions died in the trenches—was the immense fortunes generated through war profiteering. So too now, it is the massive fortunes piled up that explain why there is no effort to bring the pandemic under control. While the oligarchy that dominates society makes trillions exploiting the crisis, there will be no serious effort to stop the daily toll of death and destruction.

Under these conditions, the expropriation of the capitalist class and the shutdown of Wall Street become a matter of public health. There will be no end to the pandemic without the class-conscious intervention of the working class, in a struggle against capitalism and the establishment of socialism, which will create the conditions for an effective response to the disease.



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