For the last several years, the financial ministers, bankers and political leaders from the world’s leading capitalist countries have been forced to return again and again to the agenda of the deepening global financial and economic crisis.

Barack Obama and Ben Bernanke, leaders from European and other countries, from the International Monetary Fund and the World Trade Organization, have all issued statements about the gravity of the situation and are now admitting that the crisis is "far more severe than anyone imagined." Repeated calls have been given to "stop the contagion" and "restore confidence and "encourage growth."

The only proposals for avoiding the spread of the crisis which have been seriously taken up by the economic and political elites all center around only one aspect of the financial and economic crisis: bailing out the biggest financiers and bankers. In short, these elites of the capitalist system are trying to escape the internal contradictions of their system through the export of capital and commodities – through “globalization” as a panacea for the lack of domestic demand which is an inherent feature of capitalism. On the basis of this program of “producing for the global market,” the biggest U.S. monopolies and bankers forced down the wages of U.S. workers and spread their investments to every continent in search of cheap labor and new markets for capital and trade. Of course, the capitalists in every country marched along the same road, trying to escape the internal contradictions of their system through the export of capital and commodities – through “globalization.” The result, of course, is that the crisis of overproduction has been duplicated and intensified on a world scale. It is this contradiction which is at the root of the current financial crises and economic “bust.”

In industry after industry global capacity far outstrips the limited market. This puts downward pressure on prices and forces many companies out of business. As profits fall and companies default on debt, the shockwaves batter the financial system and stock prices, both of which have been over-extended in anticipation of the “boom” cycle lasting forever. Completing the vicious cycle, the financial crisis rebounds again on production, drying up credit and capital markets, further reducing both demand and production.

Since its very emergence, capitalism has undergone such periodic “boom and bust” cycles which arise from the very contradictions at the base of this economic system. Under capitalism, the production of material wealth is based on the social character of the productive forces – on the fact that through modern industry and a vast division of labor, millions and hundreds of millions of workers cooperate to set in motion a vast productive capacity. But this enormous productive capacity remains restricted by the fact that, under capitalism, these socialized productive forces are owned privately by the capitalists and set in motion only with the narrow aim of maximizing profit for those owners, not with the aim of guaranteeing the economic well-being of humankind. One manifestation of this contradiction is that the capitalist market always remains restricted by the low wages of the workers, who receive only a small portion of the wealth they themselves create. Thus society as a whole is unable to absorb the vast quantities of commodities which it is able to produce. The capitalist crisis breaks out precisely when this contradiction reaches a bursting point. Society has everything at its disposal.

The deepening, world-wide economic crisis is not caused by the subjective thinking or wishes of anyone but by the real economic contradictions of the capitalist system.

For the last several years, capitalist spokespersons in the U.S. and elsewhere have been advertising the program of “increasing international competitiveness” and “globalization” as a panacea for the lack of domestic demand which is an inherent feature of capitalism. On the basis of this program of “producing for the global market,” the biggest U.S. monopolies and bankers have forced down the wages of U.S. workers and spread their investments to every continent in search of cheap labor and new markets for capital and trade. Of course, the capitalists in every country marched along the same road, trying to escape the internal contradictions of their system through the export of capital and commodities – through “globalization.” The result, of course, is that the crisis of overproduction has been duplicated and intensified on a world scale. It is this contradiction which is at the root of the current financial crises and economic “bust.”

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Class Struggle

exploitation is to come out together. The individual worker is all but powerless in the struggle against the capitalists who have all the advantages and can simply tell the individual "to take a hike." But by banding together in trade unions the workers began to develop their collective strength. In strike struggles, the workers, collectively withhold their labor-power, forcing the capitalist to confront the question of either acceding to the workers' demands for better wages and working conditions or to have production and profit-making halted altogether.

The great significance of the trade union movement is not only that it has enabled workers to fight and improve their wages and working conditions but especially that by banding together the workers express their solidarity and common interests, overcome competition in their ranks and begin to transform themselves from individual wage-slaves to a class, fighting for its own interests and aims.

In fact, the manifold strikes and economic struggles of the workers, which may at first seem isolated and confined to particular factories or industries, irresistibly reveal to the workers the need to organize a class-wide struggle for the general interests of the working class as a whole. Today, for example, it is clear as noonday that such things as wage-cutting, the attacks on trade unions, the shift to a contingent workforce, etc., and so forth, are not isolated phenomenon but a generalized struggle on the part of the capitalist class to reduce the wages of the working class as a whole.

For the workers to come out on a class-wide basis, they must enter the political arena and gain recognition by society as a whole of their general, class interests. Only by organizing themselves in the political struggle can the workers truly become a class-for-themselves with their own aims and agenda for society. For more than 150 years, the working class has been fighting for its own independent political program and building its own political movement and political party. The strategy of the workers' political struggle can be nothing less than the elimination of the conditions upon which their exploitation is based — that is, the elimination of the system of private property in the means of production and with it the elimination of the workers status as wage-slaves. The goal of the workers' movement is the building of the new socialist and communist society.

Today, as the crisis of capitalism deepens, tremendous responsibilities confront the working class. The capitalist program of "increasing international competitiveness" and unfettering the "free market" is, in the first place, a program of imposing new and more intense forms of exploitation on the working class. Wages, benefits and living standards are under continual attack. The restructuring of the workforce, including "downsizing" as well as the widespread substitution of part-time and temporary jobs for permanent positions, confronts nearly every worker with extreme job and economic insecurity. The ganging up of labor legislation, such as workers' compensation, unemployment insurance, over-time laws, etc., is eliminating the few minimal standards and giving the capitalists a free hand to increase the rate of exploitation. The capitalists and their government, by attacking the trade unions, are trying to suppress altogether the workers' right to come out as a collective; the capitalists want to again reduce the workers to the status of individual wage-slaves. In addition, the generalized anti-social offensive, by targeting vital social programs and privatizing the social sectors of the economy, is further undermining living standards and increasing competition amongst the workers.

As recent experience shows, the workers, through strikes and other economic movements, can resist and beat various individual attacks but they cannot reverse the tide of the anti-social offensive without coming out on a political, a class-wide basis. The workers cannot allow their movement to adapt itself to the aims of capitalist restructuring but must come forward on the basis of their own aims and agenda. The experience of the strike movement, the demonstrations and struggles against the anti-social agenda, etc., show that the workers are strainning in the direction of such a class-wide struggle, burning with the desire to wage a positive, pro-active fight to advance their interests.

The key to developing such an independent working class political movement is, on the one hand to continually strengthen the unity in action of the broadest majority of the workers, bring out the common, class-wide interests and, at the same time, help imbue the class with consciousness of its own independent aims and political agenda.

At the same time, because the anti-social offensive of monopoly capital is attacking all sections of the people, the workers must shoulder the responsibility of mobilizing the whole country around a positive pro-social agenda which opens the path for progress.

By placing themselves in the forefront of the fight against the anti-social agenda, by rallying under the banner of their own class aims, the workers can lead our country into the future along the high road of progress and civilization. By organizing itself in the course of this political struggle, the workers are also positioning themselves on the social front and accumulating forces for the socialist transformation of society, which alone can eliminate the exploitation of human beings and usher in the era of the all-around emancipation of the workers and oppressed people.

Economic Crisis

by shifting the burden onto the working masses at home and abroad. The workers will get no cure from the Gods of Plague. All along the line, the intensifying crisis confronts humanity with fundamental questions — must the livelihoods of the workers be wiped out while the biggest capitalists consolidate their monopolies by destroying productive capacity?; must wages be cut in order to protect the "competitiveness" and profits of the capitalist exploiters?; must social investments in health care, education and so forth be slashed in order to guarantee the loans and profits of the international financiers?; must the world's productive forces be destroyed by the narrow aims of capitalism or will humankind go forward by recognizing the real, social character of economic life and organizing society on that basis?

The working class must provide the political leadership and program to answer such questions and to lead humanity out of the crisis. The workers must fight to transform the very foundations and aim of economic life so that the vast productive capacity, finally available to humanity, can be used by and for humanity.

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