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## Redistribution of the National Income in Favor of Big Capital

The *Campaign for Economic Rights* says that it is very easy to balance the budget, lower taxes on workers and make all investments needed to guarantee economic rights of the people. Simply by putting an end to the militarization of the economy and declaring a moratorium on the debt we could immediately free up hundreds of billions of dollars to invest in needed public services.

This alone makes it easy to see that solving our country's grave economic problems is not a question of money but a question of who has the power to set the priorities for the budget.

This is the issue which has to be addressed. Just as in the feudal period, when the armies of the King bled taxes out of the working people, so today, the new Lords of Finance Capital simply rob the public treasury. The issue is whether the money taken from workers paychecks should continue to be turned into tribute paid to the big capitalists or whether the government must use the public funds to make the social investments needed to guarantee the rights of the people – to provide comprehensive health care, to maintain income security in retirement, and so forth. And what is true in the case of the budget is true of the economy and society as a whole: is society to be an arena through which the rich and powerful prey on the masses of people or does society belong to all the humans who make it up and create its wealth?

We say, let us insist that we must have discussion on these issues. Let us organize a nation-wide campaign so that people are able to determine the budget priorities and the direction of the economy.

To be sure, **the government and political parties of the rich are not going to organize such a discussion, much less let the**

**people decide these questions. They are not going to organize such a thing because they know what the result will be.**

The general conclusion is that the Party and the working class must simultaneously wage a struggle on two fronts. We must oppose the anti-social offensive of the capitalist class as well as the ideology and politics of liberalism, which tries to cover over the reactionary essence of this agenda and disorganize the popular opposition. The struggle against those forces creating illusions in the capitalist system is an inseparable part of the struggle against the reactionary, anti-social offensive of monopoly capital.

As the class polarization intensifies, more and more workers are turning to active struggle against the reactionary, anti-social offensive of monopoly capital. In this situation, the bourgeoisie desperately want to prevent the rise of the independent working class movement by creating illusions that capitalism can somehow overcome its profound crisis.

Of course, the most concentrated political expression of these illusions is the view that the Democratic Party represents an alternative to the "ultra-right-wing" program of the Republican Party.

It is easy enough to remind people of the deeds of the Democrats in order to show how they are, side-by-side with the Republicans, implementing the entire reactionary agenda of monopoly capital – the agenda of stripping away investments in social programs, the agenda of increasing the international competitiveness of U.S. capital by increasing the exploitation of the workers, the agenda of inciting racism, the agenda of the continued militarization of the economy and preparations for new imperialist wars, etc.

Thus, while those who are creating illusions in the Democratic Party keep harping on the "need to defeat the ultra-right," they are actually facili-

tating the victory of the ultra-right. They are covering over the source of the anti-social offensive in the profound, all-sided crisis of capitalism. By creating hysteria over the Republicans and endlessly repeating the dogma that the "Democrats are pro-worker," the attempt is made to prevent the workers from thinking, discussing and acting in their own class interests.

The struggle which our Party wages against the Democratic Party is a necessary and decisive component of the struggle against the reactionary capitalist offensive. The aim of this struggle is to defeat the influence of bourgeois politics in the workers movement and accelerate the development of the independent political movement of the workers. Only the conscious and organized movement of the workers themselves can turn things around and open the way for the progress of our country.

It is not a foregone conclusion that sections of the working class and broad masses of the people have illusions in the Democratic Party and a future of endless exploitation. The capitalist class can only promote this situation by spending huge sums to give life to and fostered a privileged stratum – a labor aristocracy – within the working class movement and used this stratum as its principal social prop.

The fact is that capitalism is based on the exploitation of the workers just as present-day capitalist-imperialist is based on the subjugation and super-exploitation of the oppressed and dependent countries. When the labor aristocratic social prop issues its calls for "globalization with a human face" and repeats the demands of the capitalists themselves for "guarantees that Government does everything possible to promote America's ability to compete," it seeks to achieve two things. In the

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first place it seeks to narrow and water down the demands of the people. In the second place, it seeks to disarm people by covering over the source of the poverty and exploitation of the people instead of preparing people for the tenacious, irreconcilable struggles which must be waged.

This social prop, along with all the forces of the status quo are trying to hide the reality of what the capitalists have in mind for the economy and to de-politicize the people. Every day you can hear the politicians screaming about the deficit and using COVID-19 as a pretext for ramming through a budget, at accelerated speed, based on the general capitalist consensus in regard to spending and taxation, in regard to the "re-organization of the workplace," in regard to international trade and the export of capital, in regard to undermining the entitlement status of Medicare, Medicaid, education, social security, etc. On the other hand, you will never hear them providing even simple information about the role of the military budget and interest payments as the principal causes of the deficit.

In order to help provide consciousness and organization to the movement against the capitalist program and illuminate the way forward for the working class, *The Worker* will begin with this edition to print a number of reference articles addressing various aspects of the economic crisis and the program of the capitalists and government for shifting the burden onto the backs of the people.

## **"Investment-led Growth"**

In general, the capitalists agree that the "long-term, structural problems" of the U.S. economy involve "low productivity" and "declining international competitiveness." Their consensus for addressing these problems calls for a program of "investment-led growth." The capitalists claim that the way to revive the economy and stimulate growth is for everyone to help the capitalists accumulate more capital, which in turn can be used for investment purposes – for new plants and equipment, more advanced technology, improved infrastructure, etc. Accord-

ing to this plan, the government should play a bigger role in assisting the accumulation of capital and encouraging investment not only by providing more tax write-offs and rebates for the capitalists, but also by building the infrastructure needed by the capitalists and by directly advancing huge sums to the corporations.

The problems of "low productivity" and "competitiveness" as well as the program of "investment-led growth" are the major themes in the Congressional debates going on over the economy at this time.

To be clear, these discussions about "investment-led growth" are not about setting aside a portion of our economy's annual output in a social fund to guarantee the economic rights of the workers such as the right to income security in retirement or the right to free comprehensive health care.

No, in Congress "investment-led growth" refers to taking public monies and turning them over to the private sector for retraining of workers, investment in modern industrial equipment, and research for military and commercial development.

Of course, these slogans for "reindustrialization of America" and defeating the "tidal wave of imports" are precisely the slogans which the capitalists have been using for years to justify their savage wage-cutting and speedup, their closing down of factories and permanent displacement of millions of workers.

All of this is done with the aim and interest of creating the best conditions of the big bourgeoisie and the financial oligarchy, for organizing joint attacks on the working class and na-

tional liberation movements, and for preparing and conducting aggressive wars.

"Investment led growth" is directly connected with the sharpening of the contradictions of capitalist production and the triggering of economic crises. The mechanisms of competition and the exchange of products of labor meant for sale rather than personal consumption are constantly undermined by the monopolies and therefore these mechanisms are no longer able to cope with their usual duties - the duties of satisfying the requirements of social development, the duties of ensuring the rapid transfer of capital from one industry into others according to the requirements of scientific and technical development.

The bourgeois government "voluntarily" assumes the functions of stimulating structural shifts in the economy, proving the funds for a wide range of scientific projects, conducting anti-crisis regulation, assuming control over the economic mechanism. It uses the most diverse forms for stimulating the development of the capitalist economy through a wide range of fiscal, monetary and credit policies, and puts in an appearance in the marketplace as seller and customer.

"Investment led growth" creates conditions for the enrichment mainly of the biggest corporations and helps to consolidate their position on the national and international levels.

This same diagnosis and prescription is advocated not just at the federal level by leading capitalists and politicians, but throughout the country.

## **The Worker**

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