

America: The land of poverty

15 September 2011

The census bureau figures that came out Tuesday, showing the largest number of Americans living in poverty since records began in 1959, are a damning indictment of American capitalism and the entire political system.

In 2010 there were 46.2 million people—almost one out of every six residents—living below the official poverty line, including 16.4 million children. Of these nearly half, or 20 million, were described as living in deep poverty, subsisting on less than half the income the US government says is needed for basic food, shelter, clothing and utilities.

As it is the government's poverty threshold—about \$22,000 for a family of four and \$11,000 for a single person under 65—is insufficient to maintain a decent standard of living. A more accurate measure would be twice the official poverty line, or about \$44,000 for a family of four. More than 100 million Americans—one in three—are below this threshold.

The main factor behind the growth of poverty is the jobs crisis, which has only gotten worse since 2010, the year after the recession supposedly ended. Tens of millions of workers are jobless or forced to work part-time, low-wage jobs that are insufficient to keep them out of poverty.

The young generation is being hardest hit. Median income for ages 15-24 fell 9 percent last year. For those 25-34, nearly 6 million doubled up in households with parents and friends to save money, up 25 percent from before the recession. Of these, the poverty rate was at 8.4 percent; but the rate would have risen to 45.3 percent if their parents' incomes were not taken into account, according to an analysis of the census report by *Bloomberg Businessweek*.

The explosion of poverty over the last three years—along with home foreclosures, homelessness, hunger and the growing number of uninsured—takes place alongside the accumulation of fantastic levels of wealth by the financial aristocracy that controls the

economy and political system.

This is the culmination of a three-decade long process, in which the ruling class, under both Democrats and Republicans, carried out a conscious policy of transferring an ever greater portion of society's wealth into the hands of the corporate and financial elite. In the name of the free market, they slashed taxes on the corporations and the rich, deregulated industry and the banks and backed a corporate offensive against the jobs and living standards of the working class.

In the aftermath of the collapse of Wall Street investment firm Lehman Brothers on September 15, 2008, three years ago today, the government handed trillions of dollars to the banks with no strings attached. The corporations and the banks are now sitting on a cash hoard of \$2 trillion, while refusing to hire any workers.

The ruling class is pursuing a deliberate policy of high unemployment to further drive down wages and benefits and boost their profits. In the auto industry, for example, the corporations, with the backing of the Obama administration and the trade unions, are seeking to return conditions of work to what they were in the 1930s, with newly hired auto workers making poverty wages and lacking the most elemental rights and protections.

In the face of the worst social crisis since the Great Depression, the Obama administration has done nothing, responding with complete indifference to the ever growing levels of social distress. The new figures on poverty did not even rate a mention during the president's stop in North Carolina, where he promoted his phony jobs bill, which will provide further tax cuts and handouts to big business.

Far from providing any relief, the Democrats and Republicans are committed to slashing trillions from the very social programs that helped lift millions out of poverty in the 20th century. One of those targeted by

Obama's bipartisan deficit reduction committee is Social Security, which kept 20 million seniors and disabled adults out of poverty last year, according to the census report.

The ultimate aim of the corporate and financial elite is clear: the abolition of these programs and everything that does not directly contribute to their wealth.

Immediate steps must be taken to address this crisis. The Socialist Equality Party calls for:

1. The launching of a public works program to hire 20 million workers to rebuild the nation's infrastructure and guarantee the right to a livable income to all workers and their families.

2. Requisitioning of the wealth of the financial elite by imposing a 90 percent tax on all incomes over \$500,000. The \$2 trillion on the balance sheets of the corporations and banks must be confiscated and put into a publicly controlled fund to create jobs and eliminate poverty.

3. The grip of the financial aristocracy must be broken by nationalizing the banks and major industries and transforming them into public entities, controlled democratically by the working class.

The battle facing workers in the US is part of an international struggle. The plundering of the American people has come at the same time as capitalist governments around the world conduct a social counterrevolution, from Greece and the rest of Europe, to the Middle East, Latin America and Asia. Throughout the world, they claim there is no money for basic social needs.

Nothing can be done without the working class entering into mass social and political struggle. None of the social achievements of the past—decent wages, health care benefits, public education, pensions—was won without the most bitter struggle against the resistance of the ruling elite. The determination of the ruling class to turn the clock back to the 1930s must be countered with the mobilization of workers in every factory, workplace and neighborhood throughout the country.

The social rights of the working class depend on the reorganization of society, based on a democratically drawn up and scientifically elaborated plan to meet social needs, not private profit. This is the fight for socialism.

The Socialist Equality Party is spearheading this

struggle and we call on all workers and young people to join our movement and build it as the revolutionary leadership of the working class.

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