

# As pandemic death toll approaches 200,000, American oligarchs celebrate their wealth

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The United States is passing through a historic social, economic and political crisis. The death toll from the coronavirus pandemic is nearing 200,000 and could double by the end of the year. Democratic forms of rule are breaking down, with the Trump administration intensifying its open incitement of fascistic violence. Tens of millions are unemployed and face impoverishment and homelessness. Wildfires are burning out of control on the US West Coast.

It is impossible to understand any of these processes outside of the massive levels of social inequality. The United States is an oligarchy, with a concentration of wealth that is historically unprecedented.

The release of the Forbes 400 billionaire report gives a sense of this reality. The richest 400 individuals (0.00012 percent of the population) now possess more than \$3 trillion.

The report declares: “Pandemic be damned: America’s 400 richest are worth a record \$3.2 trillion, up \$240 billion from a year ago, aided by a stock market that has defied the virus.” The surge in the stock market, underwritten by the multi-trillion-dollar CARES Act passed in March, has filled the already overflowing coffers of the super-rich, who now hold claim to the equivalent of 15 percent of the country’s gross domestic product.

Even the numbers provided by *Forbes*, based on figures from July 24, are a major underestimation of the current reality. Since that time, the wealth of Amazon CEO Jeff Bezos, the world’s richest person, has shot up to more than \$200 billion, while the wealth of Tesla CEO Elon Musk has grown to over \$100 billion. Bezos’s holdings are three million times greater than the annual income of the typical American household.

The staggering level of inequality reflected in the *Forbes* list is the central feature of American society,

which is defined by the transfer of obscene and ever larger amounts of wealth from the working class into the hands of a tiny financial oligarchy through tax cuts, bailouts, the slashing of wages and the clawing back of pensions and other benefits won by workers in the struggles of the 20th century.

The latest rise in the billionaires’ wealth is not based on any exertion of labor on their part, but on the inflation of the stock market, with trillions of dollars in debt from the Federal Reserve and Congress, which will be paid off the backs of the working class. Everything has been subordinated to ensuring that the Dow and the S&P 500 rise to new heights.

It would take the median American, who earns \$33,000 per year, 97 million years to earn as much as is controlled by the wealthiest Americans. Consider what \$3.2 trillion could pay for in a year:

- In the 2016-17 school year, \$739 billion was spent on public elementary and secondary schools, providing education for 50.8 million students and employing 3.2 million teachers and another 3.2 million school employees.

- The Congressional Budget Office projects that the federal government will spend \$1.3 trillion on health care programs this year.

- Diabetes cost the US economy \$327 billion in 2017, with insulin accounting for \$40 billion of this total. The average cost of insulin, critical for the survival of diabetes patients, is up to \$6,000 per year and continues to rise.

- According to the US Department of Agriculture, \$800 billion was spent by Americans on food and beverages for consumption at home in 2019. The federal government provided \$60 billion of this in food stamps for the poorest and most vulnerable to gain access to essential nutrition.

- The 2018 fire season cost \$24 billion, driven by record devastation, including the destruction of the city of Paradise, California. All told, extreme weather and climate disasters that year cost \$91 billion.

Added up, the wealth of just 400 people could pay for an entire year of public education, health care, nutrition and disaster relief for millions of Americans. The UN recently reported that 132 million more people will go hungry worldwide this year due to the pandemic, driving the number of undernourished close to 1 billion.

Despite the burning need to save millions from malnourishment and starvation, the World Food Program faces a shortage of \$5 billion in its effort to deliver food to those in need. The wealth of the 400 richest people in the US is more than 600 times this amount.

Every element of politics is subordinated to the interests of this social layer. It is for this reason that the danger of the pandemic was initially covered up, the bailout of Wall Street was organized and the back-to-work and back-to-school campaigns were implemented.

The systematic looting of society left the country vulnerable to such an outbreak. The subordination of health care to the predatory interests of for-profit health care companies and insurance giants turned nursing homes for the elderly into death chambers and left nurses and doctors without the necessary personal protective equipment and other medical equipment—such as ventilators—needed to treat patients.

The drive of the Trump administration toward fascism and the cultivation of the extreme right cannot be understood except in relation to the class interests of the oligarchy, representing that faction of the ruling class that seeks to smash outright any sign of opposition from the working class. On the other side of the coin, the Democrats represent the faction that seeks to use the politics of race and identity to smother the class struggle, while cultivating sections of the upper-middle class that use the politics of race and gender to fight for access to positions of power and carve out for themselves a bigger share of the wealth of the top 10 percent.

As only the latest example, the racially fixated *New York Times* published its “Faces of Power” list this week, noting that too many people in “influential positions” are white. What difference would it make if everyone one on the list were black, Hispanic, Asian or

Native American? In fact, the report found that a majority of police chiefs in the largest cities are black or Hispanic: Cold comfort for the young black men who are disproportionately killed by police.

The obsession among upper-middle class academics and journalists on race and gender is a distraction from the grotesque levels of wealth that define social relations in American society. This form of politics has nothing to do with the interests of the working class. Instead, it seeks to harness anger over racism and social inequality to advance the interests of a small layer of minorities in the top 10 percent who want a larger piece of the pie hoarded by the top 1 percent.

At every point, science, reason and human solidarity collide with the economic interests of the current rulers of society—the oligarchs, the parasitic masters of finance capital. It is impossible to defend democratic rights or save lives without confronting this issue.

Mass problems such as the COVID-19 pandemic, increasingly deadly fires fueled by climate change and global hunger require mass solutions. The problems of mankind cannot be resolved without breaking the stranglehold of the capitalist oligarchy in every country. Its wealth must be expropriated and directed toward meeting social needs. The large corporations and banks must be transformed by the working class into democratically controlled institutions oriented to meeting human need and not private profit.

The social inequality that characterizes capitalist society—and all the policies that flow from it—are fueling an immense growth of social anger and working class struggle. These struggles must be organized and united on the basis of a conscious, revolutionary and socialist program.



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