

## **Inflation, the devalued dollar, and War: Attacks on all workers**

### **Let's Fight for a Communist World that Will Meet Humanity's Needs.**

“This is a historic, record-setting contract agreement,” said John Ellis on July 29, 2022, about the new MTA (Metropolitan Transit Authority) contract. According to Ellis, General Chairperson of the union, “Workers got a 26.6 % wage increase over 5 years.”

“It was bait and switch,” said a retired MTA bus operator. “The company blinded the operators with the money. The real catch: Operators retiring before age 55 will have no health benefits.

“After 23 years of service, where is the “promised” retirement? These operators will have to work until 62 when MTA restores their full coverage. This is criminal!”

Just as criminal is the wage increase. The union says it is 26.6 %, MTA bosses say it is 19%. See here:

<https://libraryarchives.metro.net/dpctl/CBAs/2022-2027-SMART-CBA-Final-20230113.pdf>.

#### **Inflation: Bosses' Tool to Lower Our Living Standards and Maximize Their Profits.**

That is why their government lies about inflation. Even so, we can prove that the contract's wage increase is really a wage cut.

A bus operator's top-pay, effective July 1, 2022, was \$34.37/hr. and got a 3.5% wage increase that year, while inflation was 8.3%. The operator lost 4.8% to inflation. He/she got a \$1.65/hr. wage cut.

If we accept the average official inflation rate projection of 3% for the remaining 4 years of the contract, **the operators' final salary's purchasing power, after inflation, is \$33.88/hr., or 49 cents less than their \$34.37 starting salary. Put differently, in real time the**

**operators' ending salary of \$42.05/hr. is just as if they were making \$33.88/hr.!**

#### **Workers lose even more to the dollar's devaluation.**

This is why this generation can't buy a house in LA County. A house bought in 1975 for \$35,000 sells today for \$950,000: 27 times more than in 1975. Our dollar when buying a house here, is worth only 3.7 cents of the 1975 dollar!

The dollar does not devalue equally with all goods. For example, a Big Mac in 1974 cost 65 cents. Today it costs \$5.11, meaning our dollar is worth today at McDonalds only 12 cents of 1974 dollar.

#### **Only industrial and agricultural workers can add value.**

A capitalist country's wealth expressed in its currency is the value produced by these workers. They add this value when producing goods. Auto workers, for example, assemble cars worth more than the unassembled parts were worth.

Pursuing maximum profits, US companies exported most manufacturing jobs to places where wages were cheapest. As the value produced by US workers declined, so did the dollar's value.

#### **The Imperialists whose workers produce the Most Value Control the World**

After WWII, the US imperialists had that control. Deindustrialization has caused them to gradually lose it to China. Chinese imperialists are preparing militarily to replace US imperialists as the world's rulers.

US imperialists only have 35 million industrial and agricultural workers producing value. Chinese imperialists have 408 million (**over**)

such workers producing more value than any other capitalist-imperialist workforce, working 12 hours-days, 6 days a week for very low wages. Minimum wage is \$3.40/hr.

### **Wages: crucial to our and capitalism's survival**

Under capitalism wages are crucial for our survival. Wages are also crucial for the survival and continuation of capitalism. Wages are the chain binding us to the capitalists, forcing us to add value to the goods they sell for profits. This value defines their wealth and currency's strength.

In communism, we won't need money or wages. With our brains and arms, we will produce and distribute everything collectively according to need. Capitalism-imperialism, on the other hand, can't survive without money, wages, and wage slavery.

### **That is why we are the grave diggers of capitalism.**

On our backs – our exploitation - the whole world's capitalist-imperialist structure stands. If we rebel against wage slavery and organize our brothers and sisters in industry and in the rulers' armies to join us in a communist revolution, we can bury capitalism and its horrors forever. It won't be an easy task but throughout history the oppressed masses – foremost the working class – have always done what the oppressors think is “impossible.”

### **Why work for pennies when we have a world to win!**

An MTA bus operator once said, “I'm just a wage slave taking other wage slaves from their homes to the plantations and back.” It doesn't have to be like this. The working class can, must and will fight for a communist world. You, reading this leaflet, can contribute tremendously to this fight.

Join ICWP, help distribute Red Flag to coworkers, family, and friends. You can organize ICWP collectives which could lead communist class struggles which could inspire our brothers and sisters nationally and internationally to mobilize for communism.

Imagine the political impact worldwide, if MTA workers went on strike against the genocide in Gaza, or the killing of a brother or sister by the racist police, or the impending WWII – and called for an end to wage slavery with a communist revolution as the only way to end all these horrors!

Instead of striking for crumbs, if MTA workers struck against wage slavery, and its racism, sexism, xenophobia, and homophobia, they would be pointing the way forward to a communist world without these evils.

Such strikes would inspire other wage slaves to join the fight to end wage slavery and build a communist world. Then the world's masses will run everything—producing value to meet the needs of workers everywhere—not for any exploiters' profit. Such actions would make what seems impossible today become very do-able!

### **International Communist Workers' Party, ICWP**

Contact us: [www.icwpredflag.org](http://www.icwpredflag.org)

Twitter@RedFlagBandera

Instagram: @icwprf

Phone: 323-315-8884

