

# Clinton's State of the Union speech: The politics of illusion

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Last Tuesday's State of the Union address, given by Bill Clinton to a joint session of Congress, was an exercise in both political deception and self-delusion. Neither Clinton nor his Republican opponents addressed themselves to the deepening social crisis in America or the spreading impact of the financial collapse sweeping Asia.

To a standing ovation, Clinton declared, "The state of the union is strong," and painted a picture of low unemployment and inflation, rising incomes, record levels of home ownership and improving living conditions. Nothing in his speech indicated any awareness of the social problems that confront tens of millions of working people.

"These are good times for America," Clinton said. But which America? The America of Wall Street and the corporate boardrooms, enjoying record profits, salaries and stock options, or the America of the working people, the vast majority of the nation, who face the harsh reality of an increasingly difficult struggle to provide their families with a decent life?

The congressional Republicans, in their official reply, only echoed this presentation of America as a land of complacent, high-income families whose principal desire is to be free of government interference with their accumulation of wealth. Senate Majority Leader Trent Lott demanded even more cuts in government social programs to finance further tax breaks for the rich.

It is not merely that the policies advocated by both big business parties are reactionary. This is, of course, true, and the principal initiative coming out of the State of the Union speech—a bipartisan commission to propose "reforms" in Social Security—is a precursor to drastic cuts in the federal old-age pension program.

Indeed, Clinton and the Republicans have scheduled the legislation to follow the upcoming congressional elections, as part of their scheme to impose the cuts

without any genuine public discussion or debate. As one administration official told the Washington Post, "We're not going to put anything down before the election. The general view is that putting out a specific proposal could easily backfire."

What was most striking about the speech, however, was the refusal of Clinton and the entire assemblage of congressmen, generals, Supreme Court justices and cabinet officials even to acknowledge the existence of widespread social and economic distress in America.

Listening to Clinton's tedious recital of his achievements and proposals, no one would know that tens of millions of Americans live in utter poverty, that 20 percent of all children are in families living below the poverty line, that the number of people without health insurance has steadily increased since Clinton took office, or that homelessness and hunger remain at levels unmatched since the Great Depression.

Real incomes for the working class and the bulk of the middle class are stagnant or declining. Consumer debt and personal bankruptcies are at record levels. Millions struggle to make ends meet, often taking two, three or even more jobs in order to survive. Under these conditions, a significant recession can usher in a social catastrophe.

The public school system, starved of funds and under assault by advocates of privatization, is on the verge of collapse, unable to meet the basic needs of working class youth. Fifty percent of employers report that illiteracy is a serious problem in the work force. As many as half the boys who enter high school in cities like Detroit and Chicago fail to graduate. And even among those who do complete high school, the rising cost of tuition all but rules out a college education. Other services such as transportation, public housing, public hospitals, libraries, roads, sewers and water systems are crumbling as a result of long-term neglect.

For a generation of working class youth, prison is the only “social service” guaranteed by the profit system. Nearly two million people are rotting in America’s jails, 3,000 of them on death row awaiting execution. The so-called “land of the free” has more policemen and prisoners per capita than any other industrialized country.

Clinton offered as the greatest accomplishment of his administration the fact that next week he will submit to Congress the first balanced federal budget in more than 30 years. This announcement, and the bipartisan standing ovation that followed, deserves particular consideration.

This celebration of budget austerity demonstrates how far the Democratic Party has shifted to the right, to the point where it now poses as the party of fiscal “orthodoxy” against Republican proposals to create a new deficit by cutting taxes for the wealthy even further. Long employed as a slogan of Republicans like Reagan, Bush and Dole, the balanced budget has now become the centerpiece of Democratic policy.

What are the social consequences of the balanced budget? The deficit was cut by a bipartisan drive to slash spending on social programs that benefit poor and working people. While these programs have been largely dismantled, a vast transfer of wealth has been carried out, from the poor to the rich, by slashing the capital gains tax, the inheritance tax and other taxes on the rich.

The political “debate” between the White House and the Republican Congress revolves around how far and how fast they should proceed with this process. Despite their increasingly frenzied mudslinging, the Democrats and Republicans represent the same social layer, the capitalist owners and the most privileged sections of the upper middle class, who have reaped the benefit of the radical shift to the right in social policy over the last two decades.

As a result social inequality is more pronounced in the US than in any other major industrialized country. In step with this social polarization, the political spectrum has both narrowed and shifted sharply to the right. Both the corporate-controlled media and the two big business parties reject out of hand any serious social reforms, and instead are dismantling what little remains of the reforms and restrictions on corporate power enacted in the course of the twentieth century.

Clinton touched lightly on the economic turmoil in Asia without giving any indication of its real implications. But a growing number of capitalist economists, bankers and business publications are acknowledging that this crisis threatens to trigger a global recession, or worse still, a deflationary spiral along the lines of the Great Depression.

There are already many indications that the protracted financial boom in the United States is coming to an end. Already in January corporate America unleashed a new wave of mass layoffs: AT&T announced it would slash 18,000 jobs, J.C. Penney said it would cut 4,700 jobs, Black & Decker 3,000, NationsBank 6,000 and Raytheon 8,700. Needless to say, Clinton made no mention of the wholesale destruction of jobs in his State of the Union address.

In their profuse commentary on Clinton’s speech and its backdrop of scandal and political crisis, none of the media pundits pointed out one obvious contradiction. On the very day that both Clinton and the Republicans were hailing the blessings of a strong and placid state of the union, the First Lady was declaring on nationwide television that the White House was the target of a “vast right-wing conspiracy,” involving the independent counsel, sections of the judiciary and the media. How could such a poisonous political atmosphere, reaching the point of an attempted judicial coup against the president, arise from such blissful social and economic conditions?

The real crisis of American capitalism did find expression in Clinton’s speech—in his threat to inflict still more destruction on Iraq. The chamber rose in unison when Clinton signaled US plans for renewed aggression. All factions could set aside their mutual recriminations to support military action in defense of the global claims of US imperialism, such an attack having the added advantage of diverting attention from the political crisis at home.

The bipartisan war fever in its own way epitomizes the disoriented state of mind of a ruling class torn apart by internal divisions and incapable of even acknowledging the social and political impasse of American society, let alone elaborating a progressive resolution of the crisis.



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