Clinton budget belies reformist rhetoric

Martin McLaughlin 3 February 1998

The \$1.7 trillion federal budget submitted by the Clinton administration Monday provides for minimal increases in spending on domestic social programs, while maintaining a massive military establishment and considerably increasing the manpower of federal police agencies.

More than half the budget consists of spending on federal entitlement programs like Social Security and Medicare which, contrary to the impression given by Democrats and Republicans alike, are currently in surplus: the payroll taxes paid by working people far exceed the amount to be paid out in benefits this year.

Of the remaining \$750 billion, interest payments on the national debt account for more than \$200 billion, the vast bulk of this representing income from the federal treasury to the investment accounts of the wealthiest five percent of the population.

Of the remaining \$550 billion in discretionary spending, the Pentagon gets by the far largest share, more than \$252 billion, with additional spending on nuclear weapons funneled through the Department of Energy. All spending on US military operations in Bosnia and the Persian Gulf is considered under an additional emergency appropriation. Total military spending in fiscal year 1999 will approach the \$300 billion peaks under Reagan and Bush, even though there are far fewer soldiers and military bases.

In his State of the Union speech, Clinton presented a long list of domestic policy initiatives, some of which, such as the reduction of elementary school class sizes to an average of 18 students, would require a significant influx of resources. The budget, however, offers little more than token gestures.

For instance, Clinton proposed in his speech to hire an additional 100,000 new teachers. But the budget provides funding for less than 1,000 in the coming year. The \$55 million for new teachers is less than the \$100 million provided to increase the number of quasiprivate "charter schools" within local public school systems. Advocates of charter schools point to the decayed state of public education to justify their development, but these schools represent, in essence, an attack on the principle of universal free public education.

The budget assumes that the bulk of the increased social spending will come from \$65.5 billion in new taxes on tobacco products. This measure is highly uncertain as a source of funding, as there is considerable opposition to it in the Republicancontrolled Congress. Moreover, it is reactionary as a fiscal measure, since it is an excise tax which places a disproportionate burden on working class and middle class families.

Both the Democrats and Republicans agree that the cost of the proposed settlement of lawsuits against the tobacco industry should be financed through a tax on smokers, rather than being paid by the companies which have profited from peddling carcinogens to the public for so many decades.

One of the largest increases in spending is allocated to the US Department of Justice, where the budget will rise 17.4 percent, to \$18.2 billion. This includes 1,000 new agents at the Border Patrol. This police agency has doubled in size since 1993. The budget also provides for hundreds of additional FBI and BATF agents, as well as 16,000 more local police.



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