

The US elections and the fall of Newt Gingrich: The political significance of the Republican debacle

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The Republican debacle in the November 3 election and the downfall of House Speaker Newt Gingrich are events of major significance. They are indicative of a profound shift in the political orientation of broad sections of working people in America.

The resignation of Gingrich has exposed a number of myths about American politics promulgated by the media. The most important of these is the supposed power and popularity of the reactionary politics identified with the congressman from suburban Atlanta.

The first brush of the Republican right wing with the real state of social and political relations in America, reflected in only the palest manner in the November 3 election, brought to his knees the man who stood second in line to succeed the president. Gingrich's fall and the eruption of political warfare within the Republican Party have revealed the absence of any mass support for the Republican social agenda, to which Clinton and the Democrats have accommodated themselves.

The elections have brought into sharp relief the crisis of both bourgeois parties. One White House adviser, who did not want to be named, acknowledged feelings of dismay and foreboding in the Clinton White House over the fall of Gingrich, telling the *Washington Post*, "Newt Gingrich was the best thing the Democratic Party has had going for it since 1994.... If anything, there's total depression on my side of the fence."

The absence of Gingrich will make it that much more difficult to conceal the lack of significant differences between the two parties. The social anger which was directed primarily at the Republicans last Tuesday is all the more certain to target the Democrats as well.

The election revealed an ongoing political shift. It was the latest and most graphic demonstration that the tide of political reaction, which developed in the late 1970s, reached its high water mark in the 1994 elections and has been receding since.

The present media and political establishment were nurtured by the conditions of ascendant reaction and have a vested interest in their continuation. They are incapable of grasping the underlying social and political changes, and are increasingly disoriented and bewildered. The political nostrums that served them so well for so long—attacks on the welfare state, anti-tax demagoguery, law-and-order propaganda, glorification of the capitalist market, "family values"—seem suddenly to be losing their popular appeal.

Behind the shifts in the outlook of masses of people and their impact on politics are far-reaching changes in the structure of American society. It takes a long time for developments at the base of society to work their way through to the surface. This process, however, is well under way.

Political reaction began to gain strength in the mid-1970s as the liberal consensus of American capitalist politics unraveled. To understand this process it is necessary to go back further, to the period in which the

Democratic Party emerged as the majority party on the basis of liberal policies of social reform.

This began with Roosevelt's New Deal in the 1930s and was consolidated in the 1940s. In the midst of the Depression, the Democratic Party introduced a series of reform measures such as welfare and Social Security as a concession to the working class, whose mass upsurge in the form of the CIO succeeded in establishing unions in auto, steel, electronics and other basic industries.

In the period after World War II the Democratic Party continued to make an appeal to the working class and sections of the middle class on the basis of liberal reform policies. The economic foundation for these policies was the postwar reorganization of world capitalism undertaken by the United States, which enjoyed an unchallenged position of economic and military hegemony. On the basis of Keynesian policies, a period of economic expansion and relative prosperity ensued, extending from the early 1950s to the end of the 1960s.

This was the heyday of American liberalism, with the Democratic Party, backed by the trade unions, at its head. Even at its apogee, however, the liberal establishment produced only the most narrow social reforms, never establishing a national health system and providing only minimal protection for the unemployed. Compared to the welfare state measures enacted in Europe, social policy in the US remained backward and stunted.

The national liberal consensus began to disintegrate in the 1960s under the pressure of global economic and political developments. With the rise of powerful economic rivals, especially Germany and Japan, US capitalism lost its hegemonic position. Washington's attempt to play the role of international policeman for imperialism led it to military and political disaster in Vietnam, and the vast expenditures for the war fueled a growing fiscal and monetary crisis.

The second half of the decade saw the convergence of mass protest against the war, militant struggles for wages by union workers, and the eruption of social discontent among the most oppressed sections of the working class in the urban riots that swept the country. Lyndon Johnson's Great Society reforms, including Medicare, Medicaid and food stamps, were enacted under the duress of this mounting social and political crisis. But the Great Society began to collapse in the face of rising inflation and an international attack on the dollar almost as soon as it was legislated.

The year 1964 marked the highpoint of Democratic control of Congress. Thereafter began a protracted decline. After 1966 no serious social reforms were introduced. The election of Nixon in 1968 highlighted the downward trajectory of both liberalism and the Democratic Party.

By the early 1970s it was clear that the liberal program of bourgeois reform had exhausted itself. The period of rapid capitalist expansion that began after World War II had come to an end. American capitalism faced

a new wave of militant struggles by workers who were chafing at the conservatism and duplicity of the trade union bureaucracy, but it no longer had the luxury of containing labor militancy with concessions. Nixon's wage freeze in 1971 marked the beginning of the end of the policy of compromise with the working class.

The general decline of the Democrats was interrupted by the Watergate crisis. But the presidency of Jimmy Carter expressed a turn to the right by the Democratic Party. His administration advanced no significant social programs. Carter foreshadowed the union-busting drive of the Reagan White House with his unsuccessful attempt to break the 1977-78 coal miners strike with a Taft-Hartley back-to-work order. His secretary of transportation drew up the plan for breaking the PATCO air traffic controllers union that was subsequently implemented by Ronald Reagan.

In the face of soaring inflation, Carter began to cut spending on social programs, and appointed the Wall Street banker Paul Volcker to head the Federal Reserve Board. Volcker, in the final years of the Carter White House, initiated the policies of high interest rates and tight money that were continued by Reagan. The aim of these policies was to throw the economy into recession, create mass unemployment and use the threat of plant closures and layoffs to intimidate workers into accepting cuts in wages, speedup and attacks on working conditions.

Under conditions of double-digit inflation combined with economic stagnation, the Republicans were able to exploit the frustration of wide layers of the middle class and capitalize on the alienation of sections of the working class from the Democrats to win support for a more aggressive attack on social programs and liberal reform policies in general.

Reagan pursued a policy of pro-business tax cuts, the gutting of government regulations on corporations, and union-busting. His administration fostered a vast redistribution of wealth from working people to the most privileged layers of American society.

By the mid-1980s, however, the so-called "Reagan revolution" had exhausted itself. The federal budget deficit had ballooned, the US trade deficit was rising and the national debt was expanding at a geometric rate. The Iran-Contra affair of 1986-87 rocked the White House. In the end, the political credibility of the second Reagan administration was saved by the accelerating crisis of the Stalinist regimes of Eastern Europe and the USSR.

In the longer term, the end of the Cold War contributed to the crisis and political disorientation of both big business parties. The removal of the Soviet Union from the international scene deprived the American political establishment of the external enemy whose demonization had served to divert attention from social and class issues at home. Anticommunism, the ideological axis of American postwar politics, lost its central focus with the collapse of the USSR.

The paradox of the Reagan and Bush administrations was that their social and economic policies undermined the very middle-class layers—small businessmen, lower and middle-management personnel, professional and white-collar employees, family farmers—who had formed their main base of popular support.

By the end of the 80s, the legacy of Republican rule was the growth of poverty and social inequality and the piling up of budget deficits. Recession, monetary crises, rising unemployment and mounting social opposition led to the defeat of Bush's reelection bid in 1992. Similar conditions led to the downfall during the same period of Margaret Thatcher in Britain.

Once in power, the Democrats abandoned one after another the modest proposals for jobs and social well-being that had helped propel them back into the White House. The Republicans took control of Congress in 1994 by capitalizing on the disillusionment of working people with the Clinton administration, above all its capitulation on the issue of health care reform.

The media did all they could to magnify the significance of Gingrich's rise, dubbing it the "Gingrich revolution" and proclaiming a new age of American reaction. The victory of Gingrich and company, however, signaled the beginning of their decline, because millions of people began to understand more clearly the content of the social agenda which the Republican Congress was seeking to implement.

The more obvious the depth of public opposition to the destruction of Medicare, Social Security, health and safety standards and antipollution regulations, as well as to expanded tax cuts for the wealthy, the more the Republicans turned to the Christian right and focused their appeal on issues such as abortion, school prayer and gun control, and sought to whip up prejudice against immigrants and gays. The Democrats adapted themselves to the Republicans' agenda. Clinton echoed the Republicans' attacks on the welfare state and signed the bill destroying the federal welfare program.

The radical right-wing orientation of the Republicans was expressed in the series of shutdowns of the federal government in 1995-96, which the Democrats successfully exploited to obtain Clinton's reelection. Clinton's second term has been largely an attempt to forge a de facto coalition with sections of the Republican Congress, frustrated by the efforts of extreme right-wing forces in the GOP, encouraged by Gingrich, to destabilize and finally bring down his administration by means of a series of scandals.

One trend has continued: the more the two parties have shifted to the right, the more they have alienated themselves from broad sections of the population. One reflection of this process has been a long-term increase in the rate of voter abstention.

Underlying these political shifts are profound changes in social conditions. Years of corporate downsizing, technological innovations, the virtual collapse of the trade unions and the proliferation of low-wage, part-time and temporary employment undermined the economic security of broad layers of the population. Professional employees, white-collar workers, small businessmen, family farmers suddenly found themselves living with the constant threat of unemployment or bankruptcy. Vast sections of the middle class, the main base for the right-wing policies that had propelled the Republicans to power, became part of the working class—wage earners living from paycheck to paycheck just like any other worker.

These social shifts were part of a broader phenomenon—the enormous growth of social inequality. The ever-widening gap between the richest 10 percent and the rest of the population was not simply a change in income distribution. It was a measure of the intensification of class contradictions in America.

None of the commentary by the media or the politicians on the 1998 elections touches on the social conditions that contributed to the Republican fiasco. But the turn against the GOP was fueled by anger over the contrast between the enrichment of the few and the worsening social position of the masses, and the flagrant way in which the political system, indifferent to the plight of working people, serves the interests of the economic elite.

This social reality is the basic source of the disconnect between the political and media establishment and the general population. The inability of the political "experts" to gauge the public mood was already apparent last winter, when top Clinton administration officials at the nationally televised town meeting on the Persian Gulf crisis were stunned by the scale and vehemence of opposition to US plans for an air war against Iraq. It was revealed once again in the pundits' bewilderment over the public reaction to the Kenneth Starr investigation, and finally in their shock over the results of the elections.

For more than nine months the media have been befuddled by the failure of the Monica Lewinsky scandal, despite their relentless efforts, to resonate with the American people. But the Starr witch-hunt was deeply

offensive to the democratic sentiments (not shared by the media commentators) of the general population, who saw it as an ominous invasion of privacy. Nor could they see how the scandal in any way spoke to the issues that affected their lives.

As the midterm elections approached, the Republicans relied more and more on the scandal, as they have since admitted, because they had no policies to address the real concerns of the electorate. But the vote was not simply an expression of disgust over the manipulation of the Lewinsky scandal. It reflected growing disquiet over the escalating tide of layoffs and other signs of impending recession. Every month but one in 1998 has seen more job cuts than last year, and the trend is worsening. Just in the period from September 1 through early October, US corporations announced the elimination of more than 100,000 jobs.

The newly released Conference Board's Consumer Confidence Index blamed the fourth consecutive monthly decline in part on "growing anxiety about layoff announcements." The board pointed out that the present wave of layoffs is more pervasive than the corporate downsizing at the beginning of the decade, which was dominated by the biggest corporations. This time around large numbers of smaller firms are making deep cuts.

The Democratic victory was totally unexpected and largely unwanted by the Democrats themselves. House Minority Leader Richard Gephardt told the *New York Times* after the vote, "I thought when all their money came out in the last two weeks that we were gone. I just thought the money was going to kill us."

In the months preceding the election, large sections of the party leadership abandoned Clinton. From the White House on down, the party ignored the polls showing widespread opposition to Starr and the Republican impeachment drive. In the run-up to November 3, senior Congressional Democrats including New York's Charles Rangel publicly denounced the Democratic National Committee for withholding campaign funds and all but accused the White House of throwing the election.

The turnout for the election has underscored the fact that both parties are increasingly discredited in the eyes of working people. Only 36 percent of voting age Americans went to the polls, the lowest percentage turnout since 1942. The mass abstention is a measure of the extremely narrow base of support for both of the traditional parties of big business.

There is no cosmetic solution to this crisis of the political system. The media pundits, who yesterday were in awe of the supposed power of Gingrich and the Republican right wing, are now promoting so-called moderates like George W. Bush, his brother Jeb, and other Republican governors, including New York's George Pataki. They fail to note that the social program of these "moderates" would have put them on the far right fringe of the Republican Party two decades ago.

Nevertheless, they are considered too liberal by the far-right, Christian Coalition wing of the GOP. The prospect is for an intensification of political warfare between the various shades of reaction represented by the rival factions within the Republican Party.

The exposure of the Republicans' weakness can only intensify the crisis of the Democratic Party. They have no more of a credible program to address the social needs of the masses—secure and decent-paying jobs, health care, pensions, education, housing—than the Republicans.

The Democrats have relied on the myth of right-wing Republican power to rationalize their own lurch to the right. The expectations of minority workers, trade unionists and others who went to the polls last Tuesday to deliver a blow the Republicans will be rudely and rapidly disappointed. American capitalism cannot and will not permit a return to any serious program of social reform.

The Democratic Party will move further to the right, seeking to shore up the political system by forming a de facto coalition with Republican "moderates." The general trajectory is indicated by Clinton's two substantive steps since the election: announcing a bipartisan summit on

the "reform" of Social Security and renewing threats of military action against Iraq.

The feelings and aspirations of the working masses can find at best a muted and distorted expression in bourgeois elections. This is even more so the case in the United States, where the political monopoly of two big business parties, buttressed by a venal press, keeps the working class in a state of de facto disenfranchisement.

Nevertheless, the 1998 elections have expressed, if only in a limited way, a shift of political sentiment among broad masses of people that is of enormous significance. This shift is only at an embryonic stage. It takes the form of a general rebuff to the political establishment, and remains politically unfocused. But it bespeaks growing opposition to the social policy of the bourgeoisie and disaffection with the holy of holies of American politics—the capitalist market.

It is part of an international trend. In Britain, France, Germany and Italy right-wing governments have given way to social democratic regimes. In several of these countries, as well as Canada, the traditional conservative parties of big business have undergone shattering crises. All of the "left" governments in Europe have adopted essentially the same reactionary policies as their predecessors, and have begun to come into conflict with the working class, but they were able to come to power in the first place because of a general shift to the left among the broad masses of working people.

In the US, the turn to recession will intensify the social resistance of the masses and sharpen the crisis of the two-party system. The opposition of working people will find a more conscious expression in a growing hostility to the capitalist system, which cares only for the privileged elite and ignores the needs of the vast majority.

It will become increasingly clear to working people that they must build their own political party in opposition to the parties of big business and the profit system which these parties defend. The Socialist Equality Party will play a decisive role in the construction of a mass socialist movement of the American working class.



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