

# Class divisions begin to emerge in Obama coalition

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Barack Obama won the US presidential election Tuesday riding a wave of popular opposition to the Bush administration and the Republican Party. Tens of millions of voters delivered a massive repudiation of the politics of social reaction that have dominated America for decades.

The "Obama coalition," however, is fraught with contradictions. The majority of those who voted for Obama want an end to social inequality, the erosion of democratic rights and militarism. Yet, despite Obama's rhetoric about uniting "Main Street and Wall Street" and "the rich and the poor," he is committed to defending the interests of the most powerful sections of the American corporate elite.

The Democratic Party is already seeking to dampen popular expectations about the incoming administration. Obama suggested this himself in his victory speech in Chicago, when he said, "The road ahead will be long...We may not get there in one year or even one term...There are many who won't agree with every decision or policy I make as president, and we know that government can't solve every problem."

Leading Democrats have lined up to insist that it would be wrong to interpret the election as a mandate for substantial changes in policy. Instead, they are saying the next administration will have to rule from the "center" and rely on a bipartisan alliance with the Republicans.

In an article Wednesday entitled, "Hard Choices and Challenges Follow Triumph," the *Washington Post* cited several unnamed Obama advisors who said "they were well aware of the dangers of interpreting the results as a mandate for unabashed liberal government."

In other words, the Democrats must reject the will of the American people—who just handed them control of

the White House and a greater majority in Congress—and shape policy in conjunction with the most right-wing and pro-business sections of the political establishment, who were overwhelmingly rejected at the polls.

One only has to contrast this with Bush's insistence that he had a mandate for his right-wing agenda despite losing the popular vote in 2000 and winning only a 50.7 percent majority in 2004.

While collaborating with the Republicans, the Democrats are preparing to defy popular expectations that the next administration will provide relief from the growing economic catastrophe. As the *Post* noted, Obama advisors "are ready for potential conflict with some Democratic constituencies or with some liberal Democrats in Congress, whose pent-up demand for action may clash with Obama's priorities, and are prepared to say no."

The cost of the Wall Street bailout, expanded military operations and a ballooning budget deficit will preclude any expansion in social spending. On the contrary, the Democrats intend to make the working class pay for the breakdown of American capitalism and the government bailout of the financial aristocracy.

Leon Panetta, the former White House chief of staff who has been advising Obama's transition team, told the *New York Times*, referring to the new president, "You better damn well do the tough stuff up front, because if you think you can delay the tough decisions and tiptoe past the graveyard, you're in for a lot of trouble," Mr. Panetta said. "Make the decisions that involve pain and sacrifice up front."

Obama's selection for White House chief of staff—Rahm Emanuel, the chairman of the Democratic Caucus in the House of Representatives—gives an indication of the reactionary social types he is assembling for his administration. As a senior advisor

to former President Bill Clinton, he championed law-and-order, "welfare reform" and other reactionary measures aimed at disassociating the Democrats from the liberal reforms of the past.

After leaving the Clinton administration, Emanuel reportedly earned \$18 million while employed by the global investment banking firm of Dresdner Kleinwort Wasserstein in Chicago, where he worked from 1999 to 2002.

During his run for Congress in 2002, Emanuel broke ranks with the Democratic congressional delegation from Illinois and supported the authorization of the war against Iraq, explicitly backing President Bush. Rising to the fourth-highest position in the House Democratic leadership, Emanuel played a key role in the passage of the \$700 billion Wall Street bailout.

Emanuel has close ties to Israel and is a leading member of the right-wing Democratic Leadership Council, which includes figures such as the Clintons and Senator Joseph Lieberman. He is expected to play a key role in the selection of cabinet appointees, including the Treasury and defense secretaries. These posts are expected to be announced quickly, in order to reassure the markets and the foreign policy and military establishment.

Among those being considered for the Treasury are former Clinton Treasury Secretary Lawrence Summers; Timothy Geithner, president of the Federal Reserve Bank of New York; and former Federal Reserve Chairman Paul Volcker. The latter will forever be identified with the "Volcker Shock" of the early 1980s, when he raised interest rates to 20 percent, deliberately precipitating the destruction of millions of manufacturing jobs and a sharp reduction in the living standards of the American working class. Volcker famously praised Reagan for breaking the 1981 strike of PATCO air traffic controllers, calling his action the most important factor in bringing inflation under control.

With the US military occupations continuing in Iraq and Afghanistan, Reuters reported that Obama was considering keeping Robert Gates on as secretary of defense or bringing in former Navy Secretary Richard Danzig, a close Obama adviser. Others considered for the job include Democratic Senator John Kerry, former diplomat Richard Holbrooke, outgoing Republican Senator Chuck Hagel and former Georgia Democratic

Senator Sam Nunn. All have been involved one way or another in the crimes of US imperialism, from the Balkans to Haiti to the Middle East and Central Asia.

In his speech Tuesday, Obama reiterated his commitment to Bush's "war on terror," which has been used as a pretext to assert the geo-political interests of America's ruling elite in energy-rich regions of the world. He issued a warning to "those who would tear this world down--we will defeat you."

Obama also repeated the threadbare claim that US troops had been sent to Iraq and Afghanistan to "risk their lives for us," that is, to protect the American people rather than advance the interests of the American capitalist class. He called for a "new spirit of service, a new spirit of sacrifice"--a reference to some form of military conscription.

Just as on economic policy, the next administration will inevitably clash with voters who thought the election of a Democratic president would lead to an end to the military aggression of the Bush years. Once again the Democrats are moving to dampen these expectations by reasserting their opposition to a "precipitous" withdrawal from Iraq and the need to escalate the "right war" in Afghanistan.

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