

Obama's libel against the American people

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The phrases in Barack Obama's inauguration speech that have evoked the greatest enthusiasm across the political spectrum of the US establishment, from the Republican right to liberal Democrats, were those suggesting that the American people are responsible for the present economic catastrophe. "Our economy is badly weakened," he declared, "a consequence of greed and irresponsibility on the part of some, but also our collective failure to make hard choices and prepare the nation for a new age."

Precisely what those "hard choices" are Obama did not specify, but he made clear they in no way involve a challenge to the capitalist market system, declaring that "its power to generate wealth and expand freedom is unmatched."

He broadly hinted that the "hard choices" he would make involve sweeping cuts in social programs, including ending programs that don't "work." This policy of austerity, which, as he had previously indicated, would include cuts in bedrock programs such as Social Security and Medicare, was summed up in his call for "a new era of responsibility."

The implicit demand for greater sacrifice from the American people was hailed by liberal commentators such as the *Washington Post's* David Ignatius, who praised Obama for telling the people that the crisis was "partly our fault." He continued, "We all know the Pogo line about how 'we have met the enemy, and he is us.' Obama implicitly seemed to embrace it."

Right-wing columnist George Will in his *Washington Post* op-ed piece enthused over the same lines, writing that one of Obama's themes "was that Americans do not just have a problem, they *are* a problem."

These approving comments accurately sum up the deeply reactionary and deceitful thrust of Obama's speech, behind its "I feel your pain" rhetoric. Obama's attempt to foist the blame for the failure of American capitalism on the American people is nothing short of a libel, the purpose of

which is to obscure those social interests that are really responsible for the unfolding catastrophe and justify even deeper attacks on the working class.

The working class bears no responsibility for the collapse of the financial system and the resulting recession that is developing into a full-scale depression. Working people have no control over the policies and actions of the multimillionaires and billionaires who bestride Wall Street. They had no say in concocting the Ponzi schemes that generated multimillion-dollar compensation packages and colossal personal fortunes for the financial aristocracy until they collapsed, as they were bound to.

Working people are the victims of the maniacal greed of the corporate-financial elite, which itself is an expression of fundamental contradictions within the irrational economic system over which they preside. One would think from Obama's remarks that the broad masses of people in the US have been living the good life. In reality, for three solid decades they have seen their social position decline and their living standards deteriorate as an ever-greater share of the national wealth was funneled into the bank accounts of the ruling elite.

The single most significant feature of American life—the staggering growth of social inequality—went without mention in Obama's speech. He could not allude to it and at the same time accuse the people of bearing "collective" guilt.

Obama's single fleeting reference to corporate criminality—"greed and irresponsibility on the part of some"—was itself a cover-up. On the part of "some"? The virtual collapse of the US and global economy is not the result of a few bad apples or mere aberrational behavior. Fraud, incompetence, recklessness were—and remain—pervasive and systemic in American capitalism.

This is a system that for decades has starved and dismantled basic industry, allowed the social infrastructure to rot and driven down the living standards of the majority of the population in order to generate higher profits for the elite

from financial manipulation and speculation. The American ruling class stands exposed and disgraced before the world as a semi-criminal social layer.

Obama's "new era of responsibility" signifies, in reality, a general amnesty for the system, the class and those in government who are truly responsible for the crisis. None of the bankers and speculators who created a mountain of paper values on the basis of predatory home loans that were bound to fail are to be held accountable. Nor are the government regulators who ran interference and served as their accomplices. Likewise, the congressmen of both parties who dismantled regulations and slashed corporate taxes in exchange for campaign funds and other bribes.

To name a few names:

- New York Senator Charles Schumer, Democratic chairman of the Joint Economic Committee, who raised \$12,928,000 in the 2003-2008 election cycle, according to the Center for Responsive Politics (CPR). His top five industries for campaign cash were securities and investment, lawyers and law firms, real estate, miscellaneous finance and commercial banks, from which he netted a total of \$3,937,000. His top five contributing firms were Citigroup, UBS, Weiss et al, Kosowitz, Benson et al and Metlife, which funneled a total of \$271,000 to his campaigns.

As head of the Democratic Senatorial Campaign Committee for the last four years, Schumer has increased donations from Wall Street by 50 percent. Has raked in over \$120 million from Wall Street in recent years.

- Barney Frank, Democratic chairman of the House Financial Services Committee. He raised \$2,282,000 in 2007-2008, according to CPR, with his top five contributing industries consisting of securities and investment, real estate, insurance, lawyers and law firms and commercial banks.

- Rahm Emanuel, Obama's White House chief of staff. After leaving the Clinton administration, he netted \$18 million in the three years he was employed by the global investment banking firm of Dresdner Kleinwort Wasserstein in Chicago, where he worked from 1999 to 2002.

Then there is Obama himself. A product of the Illinois Democratic Party machine, tied in with financial moguls such as Robert Wolf, CEO of UBS America, and Warren Buffett, the wealthiest individual in the US, the recipient of hundreds of millions of dollars in corporate campaign funds

and himself a multimillionaire, he personifies the social corruption of the ruling elite in general and the rightward movement of the Democratic Party in particular. His ascendance is the outcome of the turn to identity politics and racial preferences as a means of integrating the black upper-middle-class into the political establishment and suppressing the fundamental class issues in American society.

The prerequisite for establishing genuine "responsibility" is for the working class to demand a full and public accounting for the plundering of the economy and the social misery it has produced. This must include serious investigations of the role of bankers, hedge fund managers, speculators and their accomplices in government and facilitators in the corporate media.

The entire economic and political system must be put on trial, and criminal prosecutions pursued against the main offenders. The fortunes amassed from fraud and swindling must be seized and the wealth stolen from the American people recovered. Such a public accounting is essential to developing a rational and progressive solution to the crisis.

This can be undertaken only on the basis of an independent political movement of the working class fighting for socialist policies, including the nationalization of the banks and basic industry under the democratic control of the working population, in opposition to the ruling elite, its two parties and the capitalist system which they defend.

Barry Grey



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