

A reply to a critic on Obama's health care overhaul

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The *World Socialist Web Site* recently received a letter denouncing our position on Obama's health care overhaul, and, in particular, our analysis of his speech to Congress last week. The same reader had written previously opposing our analysis of the Iranian elections earlier this year, to which we replied in "*Iran and public opinion*". As was the case then, this letter is worth a reply, as it concisely sums up conceptions so prevalent among the "left" supporters of Obama.

The article to which the letter writer is responding is Jerry White's "*The real agenda behind Obama's health care 'reform'*", published on September 11. The article argued that the health care proposals outlined by Obama are fundamentally reactionary.

Our critic replied with the following:

"It is now a contest between the GOP and the World Socialists as to who can provide the most lies and distortions of Obama's programs. You would obviously prefer Obama to come out in favor of a single payer system such as the one we enjoy here in Canada.

"While this is the system that I would prefer, this would be a sure way of not achieving any health care reform this year or any other year. Unlike the theoreticians on your website who can spin the ideal scenarios, the President is faced with a Congress that mostly represents the special interests.

"He must provide a program that can pass the Congress and at the same time improve the lot of the average American. By making it illegal to disapprove applicants because of preexisting conditions and eliminating the cap on the limit of benefits, his administration will have achieved something that has not succeeded since it was first introduced sixty years ago.

"Your statement that his speech withdrew support from the public option is false on its face. Obama restated his support for the public option but correctly stated that it is the principle that is important, not any specific mechanism—the principle that insurance companies face competition in the marketplace.

"It sounds as if both you and Rush Limbaugh have a lot in common. You both want Obama to fail. Are you nostalgic for the good old days of George W. Bush?"

The writer charges that the WSWs article is full of "lies and distortions," but does not feel it necessary to provide a single example. Aside from his reference to the "public option"—where he denies the plain meaning of Obama's words—there is no analysis of what we actually wrote on Obama's speech.

In White's article and other articles posted on the WSWs, we have argued that the central content of Obama's overhaul is to drive down health care costs for corporations and the government. Individuals will increasingly be shifted to an insurance market where they will be required to purchase insurance from private corporations. Any costs to

the government for limited subsidies will be paid for by cutting spending on entitlement programs, including Medicare and Medicaid.

The article in question noted the attempt by Obama to present his proposals as some sort of reform measure aimed at addressing the concerns of the population over the crisis in health care. For the ruling class, however, the real agenda was clear. We wrote:

"Rising health care costs, including Medicare and Medicaid, were draining the national budget and making US corporations uncompetitive. Hundreds of billions would have to be wrung out of health care spending by reducing 'waste and abuse' and introducing efficiencies, such as placing caps on what tests and treatments doctors could provide their patients."

The article quoted Obama's statement before Congress, "If we do nothing to slow these skyrocketing [health care] costs, we will eventually be spending more on Medicare and Medicaid than every other government program combined. Put simply, our health care problem is our deficit problem. Nothing else comes close."

This statement is a lie, but it makes clear that Obama and the American financial aristocracy intend to address the US budget problem—brought on by the long-term decline of American capitalism and exacerbated by the bank bailouts—by cutting health care costs.

Our critic does not respond to this analysis. In fact, he completely ignores the issue of cost-cutting. Nowhere does he mention the proposed hundreds of billions of dollars in cuts to Medicare. This is not an accident. The *Nation* and other supporters of Obama do the same thing in an attempt to cover over the essential content of the proposals. (See, "*Obama's health care speech and the lies of the Nation*")

The only reference to what we actually wrote comes in the following sentence: "Your statement that his speech withdrew support from the public option is false on its face."

What we wrote was that Obama "also made clear that he was willing to drop support for the so-called 'public option,' which is opposed by private insurers." This is altogether true. While Obama stated he still favored a public option, he made very clear that he was willing to sign a bill with a "trigger" option or one with co-operatives instead of a government plan, in line with the bill drafted by Senate Finance Committee Chairman Max Baucus.

It should be added that, unlike Obama's liberal supporters, the *World Socialist Web Site* has not laid central emphasis on the "public option." Publications such as the *Nation* argue that inclusion of a public option will ensure that the proposed health care overhaul represents a serious challenge to the insurance industry and will guarantee the "progressive" character of the overhaul.

In fact, as Obama himself made clear last week, the public option

would be marginal and would pose no threat to the profits of the insurance companies. With or without the public option, the health care overhaul is reactionary. The main purpose of the public option would be to give the “left” supporters of Obama something that they could use to try to sell the measure to the American people.

As for our reader’s claim that the proposals represent a historic milestone because they would make it “illegal to disapprove applicants because of preexisting conditions” and would eliminate a cap on benefits imposed by some companies, he is grasping at straws. Under Obama’s proposal, insurance companies will be required to sell insurance to everyone. However, the measures say nothing about how much this insurance will cost and little about what it will cover.

What is behind the provision requiring insurance companies to sell insurance to everyone? The ruling elite is aware that there is a major cost for providing health care to the uninsured, who get treatment at emergency rooms and in other forms. The overhaul is aimed at shifting this cost more decisively from the government and corporations onto the backs of the individuals in need of care, by requiring them to buy insurance.

The release on Wednesday of the Baucus plan completely confirms the reactionary character of this “reform.” The plan would subsidize many workers for privately purchased insurance only after they pay 13 percent of their income on health care. It would fine workers up to \$3,800 a year if they do not buy health care.

The insurance companies have agreed to the requirement to sell insurance to everyone because they anticipate a massive windfall from the whole operation. Only those who delude themselves or seek to deceive others could champion this as a progressive reform.

On a more fundamental level, the writer’s arguments constitute an unabashed defense of the most opportunist type of politics, which in this case, as in others, lead him to support right-wing policies. He assumes that we would prefer a single-payer system. This only shows his own extremely limited conceptions. For him, the outer extremes of political change are defined by reformist tinkering within the capitalist system.

The WSWS advocates the socialization of the entire health care industry, not a government-run health care service within the framework of the profit system.

In any case, our critic asserts that any serious structural reform, such as a government-run single-payer system, is impossible to achieve. We may “spin the ideal scenarios,” but “the President is faced with a Congress that mostly represents the special interests.”

As with so many in the “left” milieu, the writer presents Obama as a disembodied individual, who somehow exists apart from the “special interests.” Presumably, although the writer does not explain, Obama is made of different stuff than his former congressional colleagues by virtue of his ethnic background. Such are the absurd and reactionary conclusions that flow from identity politics.

In fact, Obama speaks for the most “special” of all “special interests,” the financial oligarchy. On his watch and as a result of his policies, the most powerful sections of the financial elite have strengthened their control over the economy, increased their profits and are preparing to hand out record bonuses. The working class is being made to pay, including through the attack on health care.

The writer goes on to state that Obama “must provide a program that can pass the Congress and at the same time improve the lot of the average American.” Here he is simply assuming his conclusion—that the overhaul will benefit the population—in his premise.

The writer’s arguments are directed against any principled socialist

opposition to bourgeois politics. We do not know what sort of politics the writer advocated in the past, but at this point he completely rejects any class appraisal of political programs.

On the basis of his arguments, why should there have ever been a socialist movement? Why should Marxists have ever fought for the establishment of a politically independent working class party?

If the writer cannot tolerate a socialist opposition to the right-wing policies of Obama, what would his attitude have been back in the 1930s to the Roosevelt administration, during the heyday of the New Deal?

This question is not difficult to answer. Had the writer been involved in left politics at that time, it would have been as an enthusiastic supporter of the Stalinist popular front line, including the Communist Party’s support for the Democratic Party. His denunciation of the WSWS as an ally of Rush Limbaugh is an updated version of the same Stalinist line that led CP members and their left-liberal fellow travelers (including the *Nation*) to welcome the Moscow Trials and applaud the murder of revolutionaries, who they labeled as “left wreckers.” This crude amalgam—since we criticize Obama, we must be aligned with the right-wing criticism of Obama—is intellectually bankrupt and serves the interests of political reaction.

The letter concludes with the accusation that the WSWS wants Obama to fail. Presumably, this means that our critic wants Obama to succeed. In what? In funneling trillions in taxpayer money to cover the bad debts of the banks? In expanding the war in Afghanistan and Pakistan? In defending torturers and war criminals and continuing the Bush administration’s assault on democratic rights?

Our critic’s refusal, and the refusal of the ex-left milieu in general, to address the fundamental character of Obama’s health care overhaul is not driven by mere obtuseness. In the final analysis, they are petty-bourgeois liberals guided by their own class interests. This social milieu is confident that it will not be adversely affected by the changes in coverage that will come in the aftermath of the passage of Obama’s health care bill. Obsessed with various forms of identity politics, they are indifferent to and contemptuous of the concerns of the broad masses of working people.

It is thus entirely logical that the present outburst follows the earlier denunciation of the WSWS’s analysis of the Iranian elections. As we pointed out at that time, the writer was easily drawn to a petty-bourgeois movement that had been mobilized on a right-wing and pro-imperialist basis.

Obama has become the medium through which broad sections of the erstwhile petty-bourgeois left complete their integration into bourgeois politics. This process must anticipate a broader and far more significant movement of the working class to the left.



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