

# Obama health bill sets the stage for assault on Medicare and Social Security

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The passage of the Obama administration's health care bill has been greeted with a wave of media commentary hailing the measure as a milestone in progressive social reform and a political triumph for Barack Obama.

"A historic first step," editorialized the *Los Angeles Times*. "Health Care Reform, at Last" was the headline of the *New York Times*' editorial. As always, the revving up of the American media to overwhelm and manipulate popular consciousness has been impressive.

If anything, the major organs of international finance capital have been even more effusive. *Financial Times* columnist Gideon Rachman published a commentary in which he writes, "By pushing through a social reform that eluded generations of presidents from Teddy Roosevelt to Bill Clinton, Mr. Obama can now point to a genuinely historic achievement." The *Financial Times* editorial board published a similar piece, under the headline "Obama secures his place in history."

Behind the celebrations of the health care overhaul lies a definite perspective. The authors of these commentaries see the legislation as a major step in confronting profound problems facing American and world capitalism. They are hailing what they consider a breakthrough in reining in massive US deficits that are destabilizing the world financial system.

It has for decades been deemed politically impossible to attack basic entitlement programs in the US, such as Social Security and Medicare, which account for an enormous and rising portion of the federal budget. Now, with Obama's health care plan, the stage has been set for slashing these programs. This is the reason for the general jubilation in media and financial circles.

The claim that a genuinely progressive social reform has been dispensed as a gift from above flies in the face of the whole of American history. This is a country where every significant social reform has been the outcome of decades of the most bitter and bloody struggles against a ruling class that savagely resists social progress.

The enactment of such reforms has always followed brutal state repression and been associated with martyrs to the cause who were hunted down, jailed or murdered.

Slavery was abolished only by a Civil War that raged for four years and cost the lives of 620,000 soldiers and an undetermined number of civilians.

The eight-hour day was the result of mass strikes in the 1870s and 1880s that culminated in the Haymarket Massacre and the

hanging of key leaders of the eight-hour movement.

The suffragettes endured repeated beatings and jailings in their battle for the right of women to vote.

Official recognition of the right to form industrial unions in America was the outcome of a 60-year struggle that began in the 1870s and continued even after Franklin Roosevelt recognized the right in 1934. It involved general strikes in major US cities, including the 1934 strikes in Toledo, Minneapolis and San Francisco.

In struggles such as the Flint sit-down strike, workers occupied factories and faced off against police and troops in industrial battles that verged on civil war. Ten workers were gunned down in cold blood and many others were wounded by Chicago police in the 1937 Memorial Day massacre.

It was in the context of such mass working class struggles fueled by the Great Depression that Roosevelt enacted Social Security.

The enactment of Medicare in the 1960s was the byproduct of the mass mobilization of African-Americans and their allies in the civil rights movement of the 1950s and 1960s, in which hundreds of thousands marched in the face of killings and terror by vigilantes backed by the state. By the time of the passage of Medicare, the civil rights struggle had been joined by an upsurge of militant labor struggles and the initial eruption of the most oppressed sections of the working class in urban uprisings.

The right of 18-year-olds to vote was secured as a result of the mass movement against the Vietnam War.

In every case, the victories for social reform represented the frightened response of the ruling class to mass movements from below. And in every case, these victories were partial and limited, diluted with all sorts of caveats, and containing the seeds of their eventual undoing—due to the limited political perspective imposed on the insurgent movements by their reformist leaderships.

The moment the working class relaxed its pressure, the gains were watered down or eliminated.

In stark contrast to this historical experience, Obama's health care plan has been enacted in the absence of a mass movement—indeed, in the face of mounting popular distrust and hostility. The final push for the bill came after the Democratic candidate was massively defeated in January's special Senate election to fill the seat vacated by the late Edward Kennedy in Massachusetts.

That defeat was the result of growing disillusionment with Obama and the Democratic-led Congress, which have done

nothing while millions have been thrown out of their homes, millions more have had their light and heat turned off, personal bankruptcies have broken all previous records, and wage-cutting—encouraged by the government's Auto Task Force—has become epidemic.

The same administration whose policies have encouraged a further growth in social inequality and the continued erosion of existing social programs has now, it is claimed, handed down a historic piece of progressive legislation.

Amidst the official jubilation, no one has asked an obvious question: If the Obama administration dropped all of those provisions deemed “progressive” and “liberal”—such as the public option—in order to gain Republican support, why were they not restored when it became clear that the Republicans would offer no support and the final bill would be a purely Democratic measure?

There is another question. In what, precisely, does Obama's success in passing health care “reform” consist? Why has he succeeded where previous Democratic administrations failed?

The basic answer is that discussions of health care reform previously assumed either some form of nationalization or significant provisions to rein in the power of the health care industry. Obama, however, has not only rejected any such measures, he has worked out his overhaul in the closest consultation with the insurance, pharmaceutical and hospital companies. The same corporate giants will continue to exert unfettered control over the health care system.

Far from the health care bill being an exception to the historical rule, it could be enacted only because of the absence of a mass movement of working people and under conditions of the collapse of the old organizations such as the trade unions. It is the product of a political system in which broad sections of the population have been effectively disenfranchised and become alienated from the entire political establishment.

Neither of the two big business parties has any substantial base of popular support. Politics has become little more than the artificial creation of public opinion, involving an unprecedented level of media manipulation.

This social and political vacuum gives the ruling class a degree of latitude it would otherwise not have to impose legislation that in the past would have been considered unacceptable. Immense resources have been devoted to pushing through Obama's health care bill, but there has been nothing approaching a serious public discussion in which the details of the measure are examined. The people have had no say and do not know what this legislation will mean for them.

In the form of the current administration, the American people have become the victims of a colossal fraud, in which Obama, capitalizing on his carefully crafted popular image, is carrying out policies that previously would have been deemed unfeasible.

The US ruling class is playing the long game. It is seeking to impose a regime of economic rationalization that has been worked out between the White House, Congress and big business.

The dire consequences of this overhaul for the broad masses of the population will become clear over time. They are indicated, however, in some of the commentaries by supporters of the legislation. The *Washington Post*, for example, speaks openly in

its editorial of the “opportunity” to slash costs by rationing care to the general population.

“It means,” the newspaper writes, “establishing pilot programs to reward quality over quantity—keeping people healthy rather than administering more tests. It means holding hospitals, doctors and others accountable... to minimize unnecessary or conflicting care.”

The repeated claims that those who are satisfied with their existing health plans have nothing to fear are not believable. In the first place, existing plans are constantly being cut back by employers, private insurers or both, a process that will only be accelerated under the health care bill. More and more people will be forced into plans that provide far fewer services, under which they will be compelled to pay out of pocket for drugs, tests and procedures beyond a bare-bones minimum.

The overall strategy underlying the health care bill is indicated by the *New York Times*, which writes in a front-page article published Tuesday that “central to the health care changes are hundreds of billions of dollars in reductions in Medicare spending over time.” The newspaper goes on to declare that the victory on health care sets the stage for an assault on Social Security, the bedrock social program that currently provides (highly inadequate) pension benefits to 51 million Americans over the age of 65.

“Proponents of acting soon,” writes the *Times*, “also argue that changes to benefits or taxes... would immediately reassure global markets fretful that the United States' debt is already its highest since World War II. An agreement on Social Security ‘would send an important signal to the world,’ said Robert D. Reischauer, a former Congressional Budget Office director.”

As the consequences of these policies become more clear, the disgust and anger of working people will deepen. They will resist in ever growing social struggles. What is critical is that these struggles be guided by a new political perspective.

The entire experience of Obama's health care overhaul demonstrates once again the critical importance of the development of a Marxist leadership in the working class and the fight for a socialist perspective. Universal, quality health care as with any other social advance is possible only on the basis of the building of a mass socialist movement of the working class.

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