

# A government of the rich, by the rich and for the rich

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5 July 2010

Sunday, July 4 marked the anniversary of the Declaration of Independence. This founding document of the American republic proclaimed the profoundly democratic principle that “all men are created equal” and endowed with “unalienable rights.”

It was issued in 1776, one year into a bitter armed struggle against an occupying British army. This revolutionary struggle to put an end to colonial rule was a profoundly liberating event, whose reverberations were felt round the world.

Two hundred and thirty-four years on, the federal government in Washington commemorated the anniversary with a series of actions that demonstrated how thoroughly the principles elaborated in the Declaration have been repudiated in practice, leaving Americans with a government that is as unrepresentative and reactionary as that of old King George III.

Congress adjourned for the holiday leaving millions of unemployed workers without the money, in the form of jobless benefits, to pay their rent or mortgage and feed themselves and their families. At the same time, it deprived states of tens of billions of dollars in anticipated Medicaid funding, thus ensuring brutal cuts in essential social services and layoffs of teachers and other public employees.

While slashing funds for the jobless and the working population generally, it approved \$33 billion to pay for the escalation of the nine-year-old colonial war and occupation in Afghanistan, ensuring the reproduction in a far more savage form of all the crimes of the British King—“plunder,” “death,” “desolation,” “tyranny,” “cruelty,” “perfidy”—spelled out in the Declaration’s bill of particulars.

The main social layer in America with reason to give a flag-waving cheer on this Fourth of July consisted of

Wall Street bankers and hedge fund managers, who saw a proposed \$19 billion tax shifted from their assets onto working people. While the toothless financial reform bill passed by Congress last week was initially to be paid for by taxing the institutions most responsible for the financial meltdown of 2008, the Democratic leadership caved to Republican objections, agreeing to fund it instead with money left over from the Troubled Asset Relief Program (TARP)—funds that otherwise would have gone to decrease the US deficit. Instead, those billions in deficit reduction will be gouged out of programs that benefit the working class and the poor.

Taken together, these actions provide an unmistakable portrait of a government that is of the rich, by the rich and for the rich—one that is utterly unresponsive to the needs and wishes of the vast majority of the American people. The actions of the US Senate (the “millionaires club”), the House (where the average net worth is \$650,000) and the Obama White House are determined by the interests of the banks, the corporations and the wealthiest one percent of the population, while the majority of the country, the working people, are abandoned to the mercies of the capitalist “free market.”

The policies of this government are catastrophic for millions upon millions of Americans. The Senate’s decision to adjourn last week without passing an extension of unemployment benefits left 1.63 million jobless workers with no income. By the end of this month, that number will climb to 3 million, and if Congress fails to pass an extension upon its return, some 7 million by the end of the year.

These millions of unemployed workers, together with their children, are being condemned to impoverishment, hunger and homelessness in the name of fighting the deficit—a political catch phrase that boils

down to imposing the full burden of the crisis of the capitalist system upon the working class.

The economic and social context in which this action has been taken underscores its criminality. The Labor Department released figures Friday showing the loss of 125,000 jobs in June. At least 15 million people are without work, with five workers chasing each job. And the number of long-term unemployed—those out of work for six months or longer and in need of the federally funded extensions—is unprecedented since the Great Depression of the 1930s.

The jobless data following a string of reports on falling home and car sales, plummeting consumer confidence and declining factory orders, all of which make a mockery of the Obama administration's claim that this is a "recovery summer."

The failure of Congress to approve \$24 billion in Medicaid assistance to state governments will intensify the spiraling down of the US economy. Without this money, layoffs that could affect some 900,000 public and private sector workers are threatened, together with the loss of critical social services and the further decimation of public education.

The Democratic House and Senate leadership have blamed Republican obstinacy for the defeat of these meager relief measures. The reality, however, is that both big business parties accept the doctrine of deficit reduction and agree that social spending—including the pittance offered to the unemployed—must be curtailed to that end. As for the Obama White House, it declined to make an issue of millions of workers being left destitute.

No such obstacle stood in the way of paying for imperialist war, however, with the Congressional Democratic leadership determined to approve the \$33 billion supplemental package—roughly the same amount that was withheld from the unemployed and the state governments—before July 4. The House vote for war funding came just one day after the Senate voted 99-0 to confirm the new Afghanistan commander, Gen. David Petraeus, who spelled out to Congress his intention to escalate the killing of Afghans.

What is to account for the chasm that divides the interests of the working class majority from the policies of the two big business parties? According to the latest data released by the Congressional Budget Office last week, the income gap between the top 1 percent,

America's millionaires, and the rest of the population more than tripled between 1979 and 2007. During that period, the top one percent saw its after-tax income increase 281 percent, compared to just 25 percent for the middle fifth of the population.

The immense and uninterrupted growth of social inequality in America makes a mockery of the egalitarian principles enunciated in the country's founding document, and is incompatible with basic democratic principles. It is an essential manifestation of the deep-going degeneration of a capitalist system that can produce only economic, social and ecological disasters, together with ever more catastrophic wars.

As the US commemorates the signing of the Declaration of Independence, it is entirely appropriate to invoke the document's defense of the right of the people to "alter or abolish" any government that denies their "unalienable rights," and to replace it with a new system that "to them shall seem most likely to effect their safety and happiness."

The Socialist Equality Party is confident that the American working class will seek to exercise this fundamental right. The urgent issue is the development of the revolutionary leadership that will provide the program for workers in the US to unite with their brothers and sisters all over the world in a new revolutionary struggle to put an end to unemployment, poverty, oppression and war, and create a socialist society organized to serve the needs of the majority, rather than the profit interests of a modern-day financial aristocracy.

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