

Poverty in America: 2010

Tom Eley, Barry Grey
14 September 2010

The Obama administration has responded to reports of an epidemic growth of poverty in America to levels not seen since the 1960s by categorically ruling out any anti-poverty programs like those initiated under the administration of Lyndon B. Johnson.

In the midst of a week-long campaign of speeches and events aimed at packaging the administration's pro-corporate policies as populist measures to aid the "middle class," Obama exhibited callous indifference to the suffering of millions of Americans when he was queried at his Friday press conference about possible anti-poverty measures.

A reporter asked, "On the economy, could you discuss your efforts at reviewing history as it relates to the poverty agenda, meaning LBJ and Dr. King?"

"I think the history of anti-poverty efforts," Obama replied, "is that the most important anti-poverty effort is growing the economy... It's more important than any program we could set up. It's more important than any transfer payment we could have."

This could not have been more clear: No anti-poverty programs. Instead, in words that could have been spoken by Reagan, Thatcher or any other reactionary free-market ideologue, Obama insisted that the only basis for alleviating poverty was "economic growth," i.e., the growth of corporate profits.

On Sunday, White House economic adviser Austan Goolsbee repeated the same mantra. He was asked on the ABC news program *This Week* about the poverty rate rising "to 15 percent, back to 1960s levels, which led to the national war on poverty."

"I think the number one thing you can do to address poverty also is the way you address unemployment and the way you address the squeeze of the middle class, that is to get the economy growing and get people back to work," Goolsbee responded. "Let's get the private sector stood up so that they can, you know, carry us out of this."

This sums up the basic social and economic policy of the Obama administration: No measure is permissible that does not directly contribute to increasing corporate profits and further enriching the financial elite. Any serious anti-poverty measures would be an intolerable drain on the surplus value extracted from the working class.

Moreover, such measures would cut across the fundamental thrust of Obama's program, which is to use mass unemployment to permanently reduce the wages and living standards of the working class, and on this basis revive US manufacturing as a cheap-labor export sector.

Some 45 years ago, exposés of widespread poverty in America shocked the conscience of the nation. Michael Harrington's *The Other America*, which detailed grinding poverty in Appalachia, and Edward R. Murrow's television documentary *Harvest of Shame* about the exploitation of agricultural laborers evoked a powerful response, including within sections of the political establishment.

Announcing his War on Poverty in his 1964 State of the Union Address, Johnson declared: "This administration today, here and now, declares unconditional war on poverty in America...we shall not rest until that war is won. The richest nation on earth can afford to win it. We cannot afford to lose it."

Johnson and the Democratic Party were responding not only to moral outrage in the country, but more importantly to the growth of mass social struggles of the working class. In addition to the civil rights movement in the South, the mid-1960s saw the first urban eruptions and the spread of militant trade union struggles.

Johnson's words stand today as a self-indictment of American capitalism. Even at the height of its world power, the United States could not come close to

eradicating poverty within its borders. The War on Poverty was never viable because it did not challenge the property or wealth of the ruling class.

In the event, it was virtually stillborn, rapidly running aground as the massive outlays required by US imperialism for its war of aggression in Vietnam exacerbated the mounting contradictions of American capitalism.

As the Socialist Equality Party program, “The Breakdown of Capitalism and the Fight for Socialism in the United States,” points out: “American capitalism proved incapable of realizing the promise of economic security and the elimination of poverty during the decades of its greatest successes. What, then, can be expected of this economic system in a period of breakdown and crisis?”

The repudiation of any similar reform effort today, in the midst of the deepest crisis since the Great Depression, is an expression of the failure of American and world capitalism. The intervening period has been dominated by the protracted and dramatic decline in the world economic position of the United States, further undermining any objective basis for serious reforms.

In tandem with the decay of American capitalism, the entire political system has lurched ever further to the right. This in turn is bound up with the staggering growth of social inequality and the ever-greater concentration of wealth in the hands of a corporate-financial oligarchy.

One of the sharpest expressions of this process of economic decay and political reaction is the rightward shift of American liberalism and the Democratic Party.

The immense personal fortunes that have been built up since the 1970s have been based on the impoverishment of the working class through financial swindling, the dismantling of industry, the treachery and collapse of the trade unions, and the rollback of social spending.

The liberal middle-class layers most actively aligned with the Democratic Party have themselves benefited economically from the growth of social inequality over the past three decades, and their politics have accordingly shifted dramatically to the right. They have grown distant from and hostile to the mass of working people. The major organs of American liberalism and its pseudo-left variants—from the *New York Times* to the *Nation* to the publications of the ex-radical middle-

class “left”—reflect this rightward lurch.

They are no more interested in serious policies to combat poverty than Obama. Indeed, their support for Obama, who embodies the bankruptcy of American liberalism and the Democratic Party, is not the result of mistakes or misperceptions. They support his anti-working-class agenda.

Their single-minded focus is on preventing the emergence of a movement of the working class outside of and in opposition to the Democratic Party.

Only the Socialist Equality Party unequivocally fights for the interests of the working class—the right to a job at a good wage, health care, education, and housing. These rights can be realized, and the scourges of poverty and war eradicated, only through the independent organization of workers in struggle against the “right” of the financial aristocracy to control society’s wealth. This requires the building of the Socialist Equality Party as the mass revolutionary party of the working class. All those who agree with our socialist program should take up the fight for it by joining the SEP.

Tom Eley and Barry Grey



To contact the WSWWS and the Socialist Equality Party visit:

wsws.org/contact