

# Obama outlines right-wing, pro-corporate agenda in State of the Union speech

Patrick Martin  
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In his State of the Union address Tuesday night, President Obama outlined a reactionary political agenda that amounted to a full-scale embrace of the policies of the incoming Republican majority in the House of Representatives.

The speech was a demonstration of the bipartisan consensus of the American ruling elite. Both Democrats and Republicans serve the interests of the financial aristocracy, from whom they are taking their marching orders to cut domestic social spending and enact further tax breaks for the wealthy.

Obama displayed utter callousness and indifference toward the social distress of tens of millions of Americans. There was virtually no reference to unemployment or the staggering growth of economic inequality, and no proposals for creating jobs for the 17 million workers who are jobless or forced to subsist on part-time and temporary work.

The words “poverty,” “foreclosures,” “hunger” and “homelessness” were not uttered, despite sharp increases in all four during the first two years of Obama’s tenure.

Listening to Obama’s desultory remarks, one would never have guessed that just 28 months ago the American financial-corporate elite brought the American and world economy to its knees, precipitating the worst economic crisis since the Great Depression. The speech was a paean to American capitalism and the very financial bandits who are chiefly responsible for the catastrophe facing the American people.

Obama boasted of the good fortune of corporate America, which is making more money than ever. “The stock market has come roaring back,” he declared. “Corporate profits are up. The economy is growing again.” Under conditions of near double-digit unemployment, he claimed to have “broken the back of this recession.”

There was no acknowledgement that the revival of the financial sector and corporate profits is the byproduct of shoveling trillions in public funds to bail out Wall Street. Now Obama is joining with the Republicans in a bipartisan drive to

force the American people to pay the price for these bailouts—and the ensuing record federal deficits—by slashing spending on vitally needed social programs, including Medicare, Medicaid and Social Security.

“Our free enterprise system is what drives innovation,” Obama declared, and proceeded to argue that government intervention was necessary to subsidize corporations that otherwise would not invest in basic research because it is not profitable. Aside from maintaining the military and national security apparatus, Obama suggested that propping up big business with taxpayer funds was virtually the only legitimate function of the federal government.

The State of the Union speech exemplified the state of contemporary American politics, where neither the representatives of the two big business parties nor the commentators in the corporate-controlled media can speak honestly about social reality. There were constant invocations of the greatness of America and its exceptional character, which contrasted absurdly with Obama’s scattered allusions to the devastating failures of the United States in all social spheres.

Thus, for instance, Obama appealed to the idealism of young people, urging them to become teachers, ignoring the fact that public schools are being closed down all over the country, tens of thousands of teachers are being laid off, and teachers are being scapegoated by the White House for the government’s policy of starving and undermining the public school system.

He pledged to make the United States number one in the world in the proportion of the population with a college degree, even as state colleges and universities are raising tuition rates and fees and financial aid is a major target of both state and federal budget-cutting.

He called for investment in infrastructure programs such as high-speed rail and nationwide wireless access, without providing any explanation for the devastating decline in the country’s basic infrastructure, including roads, bridges, water

and sewer systems, for which, he admitted, “engineers now give us a D.”

The actual policy measures proposed in the speech were right-wing and pro-corporate. Obama called for lower corporate tax rates, a five-year freeze in annual domestic spending to be carried out through “painful cuts” in social programs, and a bipartisan effort to slash spending on the major entitlement programs, including Medicare, Medicaid and Social Security.

Equally significant were the policy issues Obama avoided. There was no mention of the budget crisis in the 50 states, where Democratic and Republican governors alike are proposing unprecedented cutbacks in public services, from education to mental health.

He made no reference to the catastrophic BP oil spill in the Gulf of Mexico, but instead reiterated his desire to join with the Republicans in a crusade to free the giant corporations of regulations that in any way inhibit their ability to increase their profits.

Above all, he covered up the responsibility of the capitalist system for the economic devastation of the last three years. He hailed the United States as “the largest, the most prosperous economy in the world,” although living standards for working people in the US have fallen sharply and now trail significantly behind those of workers in Western Europe and Japan. He declared that the goal of his administration was to make America “the best place to do business.” And he suggested that unemployment was the fault of the unemployed, since in the new global economy it was no longer possible for American workers to find good-paying and secure jobs if they lack sufficient education.

The general tone of the speech was at once complacent and provocative. It was a demonstration that the vast majority of the American people, those whose focus is the labor market, not the stock market, are entirely disenfranchised by the two-party system.

Obama made a series of appeals to the Republican Party. He began with a declaration that “the people” had decided that the Republicans should share responsibility for determining government policy, although the election debacle last November was the product of a collapse in the Democratic vote. It was a manifestation of disappointment and disillusionment with the Obama administration because of its right-wing policies, not an expression of confidence in the reactionary nostrums of the Republicans.

Obama called for intensifying the assault on education conducted under the Bush administration’s “No Child Left

Behind” law and his own “Race to the Top” program, both of them predicated on promoting charter and private schools, undermining public schools, and driving down wages, working conditions and job security for teachers.

He invited the Republicans to propose changes in the healthcare program adopted by the Democratic Congress last year, and endorsed the traditional right-wing hobby horse of “malpractice reform”—i.e., depriving patients of the right to sue over injuries inflicted by drug companies, medical equipment companies, hospitals or doctors.

He fully embraced the Republican claim that deficit reduction is the central issue facing Washington. “Now that the worst of the recession is over,” he said—a remarkable statement with nearly ten million people unemployed for six months or longer—the “final critical step” was to address the federal deficit. He declared that his proposed five-year freeze on annual domestic spending would save \$400 billion.

This is only the opening bid for much larger cuts. Only a few hours before Obama’s speech, the Republican-controlled House of Representatives passed a resolution endorsing a rollback of current domestic social spending to 2008 levels, a cut of almost \$100 billion this year.

Towards the end of the speech, Obama devoted a few minutes to foreign affairs, which was confined to salutes to American troops (producing a series of bipartisan standing ovations) and pledges to continue the war in Afghanistan and US threats against Iran. He made reference to the rescinding of “don’t ask, don’t tell,” hailing the right of gays to enlist openly in the military, and used this to demand that all college campuses open their doors to military recruiters and ROTC (Reserve Officers’ Training Corps) programs.



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