

Obama plays the populist card

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In what was billed by the White House as a major speech on the economy, President Barack Obama on Tuesday combined a potted review of American history with half-truths and lies in an attempt to present himself as a fighter for social equality and critic of Wall Street.

Obama, who has spent nearly three years in the White House single-mindedly defending the interests of the financial elite, has in recent weeks adopted this populist persona with the aim of derailing the emergence of social protest, in the form of the Occupy Wall Street protests, and seeking to channel it behind his reelection campaign.

Typical of such carefully staged events, the site of Obama's remarks—Osawatomie, Kansas, where Theodore Roosevelt gave his 1910 “New Nationalism” speech—was chosen for its symbolism. By wrapping himself in the mantle of Roosevelt's Progressive Era reform agenda, Obama hoped to lend credibility to his improbable pose as a man of the people and opponent of the moneyed interests.

The speech was notable only for its unbridled cynicism. As always, Obama proceeded from the premise that the American people are infinitely gullible and suffer from collective amnesia with regard to the record of his administration.

Reviewing the events that led to the financial crash of 2008, Obama declared: “We all know the story by now: Mortgages sold to people who couldn't afford them, or even sometimes understand them. Banks and investors allowed to keep packaging the risk and selling it off. Huge bets—and huge bonuses—made with other people's money on the line. Regulators who were supposed to warn us about the dangers of all this, but looked the other way or didn't have the authority to look at all...

“It combined the breathtaking greed of a few with irresponsibility all across the system. And it plunged our economy and the world into a crisis from which we're still fighting to recover. It claimed the jobs and the homes and the basic security of millions of people—innocent, hardworking Americans who had met their responsibilities but were still left holding the bag.”

This is a fair description of what amounts to a criminal conspiracy against the people of the United States and the world, carried out by a financial oligarchy that exerts absolute power over the political system. A bit further on Obama declared his commitment to a country where “everyone plays by the same rules.”

Yet under his watch, not a single banker, hedge fund manager or financial regulator responsible for the economic catastrophe has been prosecuted, let alone convicted. On the contrary, the president has handed them the keys to the national treasury and tailored his policies to enable them to continue their speculative activities and make more money than ever.

The fury of the state has been reserved for those who have sought to protest against the plundering of society by the financial elite and the resulting growth of poverty, unemployment and inequality. They, for the most part student youth, have been assaulted by baton-wielding police in riot gear, packing rubber bullets and using pepper spray. The protesters have been arrested in the thousands. Obama, with his silence, has signaled his support for these attacks, carried out for the most part by Democratic mayors.

Obama strained to present his policies as diametrically opposed to those of the Republicans. After the worst economic crisis in eighty years, he said, the Republicans “want to return to the same practices that got us into this mess.”

This from a president who has made “bipartisanship” the watchword of his administration and done his best to restore credibility to the Republicans after they were repudiated in the 2008 election that brought him to power.

In every aspect of domestic and international policy, Obama has continued and escalated the policies of his Republican predecessor. He has gone beyond Bush in slashing social programs, waging aggressive war, and attacking democratic rights—including officially ordering the assassination of American citizens.

After attributing the entire blame for the deregulation of big business and the growth of inequality to the

Republicans, ignoring the fact that these processes proceeded apace under Democratic as well as Republican administrations, Obama declared that his solution began with “making education a national mission.”

This is yet another example of shameless hypocrisy from a president who has adopted the education program that was previously the province of the Republican right, and spearheaded an unprecedented assault on the jobs and conditions of teachers and the very principle of public education.

Lodged within the fog of populist phrase-mongering were code words inserted in the speech—verbal winks and nods—to reassure Wall Street: “the free market is the greatest force for economic progress in human history... It’s not a view that says we should punish profit or success... business, and not government, will always be the primary generator of good jobs... This isn’t about class warfare.”

With tens of millions out of work and new reports each week detailing record levels of poverty and inequality, Obama declared that capitalism has “led to a prosperity and a standard of living unmatched by the rest of the world.”

His invocation of Theodore Roosevelt was preposterous on two counts. First, Obama is not proposing the slightest measures to address social inequality, unlike Roosevelt, who, under conditions of emerging class battles and the growth of the socialist movement, advanced a significant bourgeois reform policy, including a progressive taxation system, unemployment compensation, and laws to restrict child labor and establish minimum wages.

Second, Obama falsifies history. These reforms were not showered on the people by benevolent presidents or bosses. They were extracted from the ruling class through mass struggles, involving millions of workers in sit-down strikes and general strikes in the 1930s that rocked entire cities and defied the murderous violence of the employers and the state.

In his 1910 speech, Roosevelt warned, “If the reactionary man, who thinks of nothing but the rights of property, could have his way, he would bring about a revolution.” Over the next half century, the American ruling class was forced, kicking and screaming, to adopt measures that lessened social inequality precisely to avoid revolution.

As is now clear, those concessions to the working class were not permanent. Precisely the failure of the labor movement, due to the treachery and pro-capitalist orientation of the trade union bureaucracy, to break from

the Democratic Party and build an independent socialist movement disarmed the working class and allowed the ruling class to wage a counteroffensive.

Obama and the entire bourgeoisie are now seeking to utilize the economic crisis to repeal the 20th century and destroy all of social gains of the working class.

For all his pseudo-populist bluster and his invocation of an earlier period of progressive reform, Obama could offer no serious measures to address the social crisis. His only concrete proposal was passage of an extension of his payroll tax deduction—a measure that is striking only for its hopeless inadequacy. It is fundamentally reactionary to boot, since it will allow corporations to reduce their Social Security taxes, thereby draining the government benefit fund for seniors.

The president’s central focus is to join with the Republicans in shredding what remains of the social safety net. “To reduce our deficit,” he boasted, “I’ve already signed nearly \$1 trillion of spending cuts into law and I’ve proposed trillions more, including reforms that would lower the cost of Medicare and Medicaid.”

We will leave it to the professional apologists for the Democratic Party, from the *New York Times* to the affluent upper-middle class types who occupy the offices of the *Nation*, the AFL-CIO trade union apparatus and various pseudo-left groups to try to paint in “progressive” colors what has turned out to be the most right-wing administration in modern American history.

For our part, the Socialist Equality Party in the US will do everything in its power to expose those trying to hoodwink the working class with identity politics and the hoary myth of “lesser evilism.” The fight for social equality means the fight for socialism and the independent political mobilization of the working class to take political power in its own hands.

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