

# The State of the Union address

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Even by debased standards of the annual State of the Union address by the US president, Obama's speech on Tuesday night was a remarkable collection of pro-business nostrums, militarist saber-rattling and outright lies.

The media, both right-wing and "left," has sought to present the speech as a populist appeal to working people and a sharp shift in the tone of the administration. It was nothing of the sort.

The administration's goal is to achieve a deep and permanent cut in the living standards of the working class. In the face of mass social misery, Obama called for a minor measure—a job training program for the unemployed—along with a pro-corporate agenda of deregulation, education "reform" and cuts to social programs. For the population of the world, he held out the prospect of more wars, citing the possibility of war with Iran and praising US drone bombings in Africa and the Middle East.

One year ago, in his last State of the Union address, Obama claimed to have "broken the back of the recession." He cited as proof the fact that "the stock market has come roaring back [and] corporate profits are up"—that is, that the financial speculators who created the crisis had been made whole.

This year, he hailed the return to the profitability of US auto companies. "What's happening in Detroit can happen in other industries," he declared. "It can happen in Cleveland and Pittsburgh and Raleigh."

In holding up a city with a real unemployment rate of 50 percent as a model, Obama demonstrated the political establishment's contempt and indifference to the conditions of life facing millions of people.

The supposed "success" of the auto industry hailed by Obama was achieved entirely at the expense of the working class. Wages for new-hires have been halved and benefits slashed. The number of jobs added over the past year is a tiny fraction of those destroyed during the court-supervised bankruptcy of GM and Chrysler, under the guidance of the administration.

Obama's remarks follow the issuance of a report last week by the President's Council on Jobs and Competitiveness, headed by General Electric CEO Jeffrey Immelt, calling for cutting taxes on business, reducing regulations, and other measures to reduce costs for American companies. The report blames the 2008 crash on "too much consumption and too little production." It goes without saying that the consumption that corporate America is targeting for reduction is that of working people.

As for Obama's advocacy of the so-called "Buffett rule"—a proposal to establish a minimum tax rate for the highest income bracket, which was held up by the media as the main example of Obama's supposed populist turn—it was actually a minor component of his remarks.

Obama makes the proposal knowing it will go nowhere in Congress. Even if it were passed, however, this would not reverse growing social inequality, let alone redistribute wealth. For some wealthy individuals, the 30 percent minimum rate would actually represent a tax cut.

Moreover, Obama again made clear that whatever tax change is made, it would be part of a bipartisan deal to be enacted after the election, that would include cuts in corporate taxes along with new attacks on key social

programs, including Medicare, Medicaid and Social Security.

Obama's State of the Union address highlights once again the essential unanimity within the political establishment over the most important aspects of policy. The differences between Obama and his Republican opponents are not over whether, but how to slash the jobs and living standards of American workers.

The Democrats and Republicans also differ over the role of the unions, with the Democrats placing greater reliance on the services of union executives to suppress working class opposition.

AFL-CIO President Richard Trumka hailed Obama's State of the Union address, praising its "commitment to American manufacturing, made possible in part by enhanced enforcement of trade laws being violated by China..." United Auto Workers President Bob King's statement declared: "The recovery of the American automotive industry is one of our country's greatest economic success stories." The statement endorsed Obama's proposals to "level the global playing field for US manufacturers."

This pat phrase has a deeply sinister and reactionary content. To "level the global playing field" means creating in the United States the same super-exploitative conditions that American manufacturers enjoy in China, India, Mexico or elsewhere—where workers toil for low wages, without benefits or health and safety protection, and frequently under the gun of police-state regimes.

Working people in America, no less than their class brothers and sisters around the world, will resist this program of wage-cutting and intensified exploitation. The coming year will be one of explosive class battles. While it has nothing to offer workers, the ruling class is deeply worried about the growth of opposition to an agenda that it is absolutely determined to carry out.

It is within this context that one must interpret Obama's obsequious praise for the military with which he began and ended his remarks. He hailed the

performance of the Navy SEALs in killing Osama bin Laden and held up the military as the model for American society going forward.

Having built up the infrastructure of a police state over years of the "war on terror" and attacks on basic democratic rights, the financial aristocracy intends to use it for its most fundamental class purpose: defending its wealth and privileges against the American working class.

The working class will enter into struggle to defend its rights, but in doing so it will come into ever more direct conflict not only with Obama, but with the entire corrupt political and economic system for which he speaks. The working class must break with the two-party system of big business and build its own political party based on a socialist program and fighting for the abolition of capitalism.

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