

# Obama's State of the Union address: War and wage-cutting

Patrick Martin  
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The State of the Union Speech delivered by Barack Obama Tuesday night was memorable only as a further milestone in the decay of American democracy.

While billed in advance by the White House and media pundits as a “populist appeal” by the Democratic president, effectively kicking off his reelection campaign, there was virtually nothing in the speech that even acknowledged the acute social crisis in America, let alone offering any solution.

The annual presidential addresses to a joint session of Congress have taken on an increasingly empty and ritualistic character—the same empty phrases, the same perfunctory ovations, the same gimmick of individuals placed in the First Lady's box to serve as cameos, the laundry list of proposals, either insignificant or overtly reactionary, the sickening appeals to national unity and militarism.

Four years after the official onset of recession, three years after the biggest financial collapse since the Great Depression, the US economy remains mired in slump and the world economy is rapidly approaching a new cataclysm. Yet neither Obama nor his Republican opponents can acknowledge the overriding fact being experienced by hundreds of millions of working people: the desperate crisis of the capitalist system.

The Wall Street crash of 2008 plunged the country into a social crisis: mass unemployment, increasing poverty, the collapse of local and state government budgets, the shutdown of public services, the spread of hunger and homelessness. Yet for both Obama and the Republicans, the only solution proposed is to increase the profits of American corporations at the expense of

the working class. Every so-called “job-creation” measure proposed by Obama was, in reality, a tax break or government subsidy for corporate America.

Obama's speech not only glossed over the causes and consequences of the 2008 collapse, but entirely avoided any mention of the mushrooming financial crisis in Europe, which threatens to break up the euro zone, with incalculable consequences for the US and world economy.

The axis of Obama's speech was his invocation of the auto bailout as the greatest vindication of his economic policies. “This blueprint begins with American manufacturing,” he said. “On the day I took office, our auto industry was on the verge of collapse... In exchange for help, we demanded responsibility. We got workers and automakers to settle their differences.”

By “responsibility” Obama was referring to the White House demand that auto workers take a 50 percent pay cut, along with the destruction of tens of thousands of jobs, major cuts in pension and health benefits for retired workers, and a ban on strike action, cementing the role of the United Auto Workers union as the company police force inside the plants.

While auto workers paid the price, the auto bosses reaped the profits. “Today, General Motors is back on top as the world's number one automaker,” Obama boasted, “the American auto industry is back.”

He continued with the following extraordinary words: “What's happening in Detroit can happen in other industries. It can happen in Cleveland and Pittsburgh and Raleigh.” This statement should be taken as a

threat to the jobs, living standards and democratic rights of every worker in the United States.

While Obama invokes the success of “Detroit,” the city is bankrupt, with poverty and unemployment over 50 percent, widespread foreclosures and utility shutoffs, and a city government committed to scrapping entire neighborhoods and returning large sections of the former manufacturing capital of America to farmland.

The state government is contemplating the installation of an emergency manager who would suspend local government, rip up union contracts and rule by decree. Detroit has become a synonym, not only in America but worldwide, for urban collapse and social misery. This is what Obama offers to workers in “Cleveland and Pittsburgh and Raleigh.”

Besides these remarks, there was much political boilerplate and ballast. The section of the speech described as “populist” in the corporate-controlled media amounted to a few paragraphs out of an address of more than one hour. Obama declared, “We can either settle for a country where a shrinking number of people do really well, while a growing number of Americans barely get by. Or we can restore an economy where everyone gets a fair shot, everyone does their fair share, and everyone plays by the same set of rules.”

He made a brief reference to the 2008 financial crash, admitting that the banks were to blame, mainly for the purpose of excusing himself and his administration of responsibility. The president then announced that he had just ordered the attorney general—four years after the fact—to “expand our investigations into the abusive lending and packaging of risky mortgages that led to the housing crisis.” This election-year stunt will likely send no Wall Street CEOs to jail. It will fool only those who want to be fooled.

Obama emphasized that his social policies on education and health care were based firmly on the capitalist market and reiterated his commitment to further drastic cuts in social spending. He cited the deal he reached last summer with House Speaker John Boehner to slash funding for Medicare and Social

Security in return for slightly higher taxes on the wealthy, which was derailed by opposition from the House Republican caucus.

Equally ominous and reactionary were the brief opening and longer closing sections of the State of the Union speech devoted to foreign policy. Obama began and ended the speech by invoking what he clearly regards as his trump card, the assassination of Osama bin Laden by a team of US Navy Seals.

Obama hailed “the courage, selflessness, and teamwork of America’s Armed Forces.” He continued: “At a time when too many of our institutions have let us down, they exceed all expectations... They focus on the mission at hand. They work together. Imagine what we could accomplish if we followed their example.”

The president repeatedly beat the drums for economic nationalism, focusing particularly on China as an alleged practitioner of predatory trade practices.

In the course of a long paean to American military strength and foreign policy “successes” like the overthrow and murder of Libyan ruler Muammar Gaddafi, Obama cited “the enduring power of our moral example.” Actually, under Obama even more than Bush, America is identified with a policy of global thuggery and murder, carried out by drones, death squads and hired assassins.

In his conclusion, Obama returned to his vision of a society run along military lines when he again invoked the raid that killed bin Laden. For Barack Obama, the cohesion of a team of trained assassins is the highest form of human solidarity.



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