

First night of Democratic convention

Phony populism from a party of corporate America

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The opening night of the Democratic National Convention provided a grossly distorted picture of the Obama administration, presenting a right-wing, pro-corporate, anti-working-class government as though it was the second coming of the New Deal.

Speaker after speaker bashed Republican presidential candidate Mitt Romney as the candidate of wealth and privilege and portrayed Obama as the advocate of working people and his reelection as the key to social and economic progress.

The utter cynicism of this claim was demonstrated by the continual references to Obama's bailout of the auto industry as the high point of his concern for the working class. This action supposedly "saved a million jobs," but there was no examination of the actual impact of the government intervention into General Motors and Chrysler on autoworkers.

Using the threat of imminent liquidation of the two companies, Obama's auto task force, drawn from the top circles of investment banking, cut the wages of new hires by 50 percent, released the auto bosses of their obligation to pay healthcare benefits to retirees, and even stole dental and optical care from retired workers and their families.

White House officials—themselves largely drawn from Wall Street—spoke with contempt about the "unsustainable" pay and "gold-plated" benefits for which autoworkers had fought over two generations.

This was not just an attack on autoworkers. It was a signal to corporate America of White House backing for a ruthless campaign of cost-cutting which has spread from bankrupt and near-bankrupt companies to corporations like Caterpillar, reaping massive profits while slashing wages and benefits, and to public

employees at the local, state and federal level.

In the assault on public workers, Democratic office-holders at the state and local level have taken just as hard a line as their Republican counterparts on cutting jobs, wages and benefits. Several of them spoke at the convention Tuesday, including Chicago Mayor Rahm Emanuel, former Obama chief of staff, who is demanding drastic concessions from teachers and city workers.

Deval Patrick, the Democrat who followed Romney as governor of Massachusetts, boasted that he had succeeded in cutting pensions and benefits for state employees where Romney had "only talked" about it. The difference, he pointed out, was that he imposed the cuts "with labor at the table."

In other words, the Democrats prefer to enlist the unions to help them cut the living standards of the working class, while the Republicans seek to dispense with the union officials and do the job themselves. The end result for the workers is the same.

The convention's first night added a particularly noxious note of economic nationalism to the populist demagoguery.

Former Ohio governor Ted Strickland denounced Romney's opposition to the auto bailout as a sign that he lacked "economic patriotism," prompting the delegates to embark on inane chants of "USA! USA!," echoing similar chauvinist outpourings at the Republican convention last week.

Maryland Governor Martin O'Malley went even further, citing the multi-millionaire Republican's possession of bank accounts in Switzerland and the Cayman Islands, not as an indicator of obscene wealth, but as unpatriotic. "Governor Romney," he declared,

“just because you’re willing to bank against America, doesn’t mean the rest of us are willing to sell her out.”

Both Obama and Vice President Joseph Biden sounded similar themes during the last days of campaigning before the convention. Both candidates appeared at Labor Day rallies in centers of the auto industry—Biden in Detroit, Obama in Toledo, Ohio—and touted the auto bailout as one of their principal achievements.

Obama claimed that without the auto bailout, “more than one million Americans across the country would have lost their jobs in the middle of the worst economic crisis since the Great Depression. In communities across the Midwest it would have been another Great Depression.”

Actually, in cities like Detroit and Toledo, and communities in the Midwest and across the entire country, the worst economic collapse since the Great Depression is a dismal reality.

Obama was introduced to the Toledo crowd, consisting largely of autoworkers, by a trio of top union leaders, underscoring the complete prostration of the unions before the Democratic Party wing of the capitalist class: Bob King, president of the United Auto Workers, AFL-CIO President Richard Trumka, and Dennis Van Roekel, president of the National Education Association.

According to a report Tuesday in the *New York Times*, the unions will spend a staggering \$400 million on behalf of capitalist politicians, mainly Democrats, running for local, state and federal office. These same unions routinely deny strike benefits to workers, or dole out only a pittance, effectively conspiring with the corporate employers to undermine strikes and smash rank-and-file opposition to cuts in jobs, wages and benefits.

Obama and Biden sought to respond to Republican criticism of the dismal performance of the US economy, summed up in the question “Are you better off than four years ago?” For working people, of course, the answer is clearly no—four years after the Wall Street crash, 23 million are unemployed or underemployed, real wages have fallen steadily, the social services on which tens of millions depend have been gutted.

For the capitalist class and their political servants in both big business parties, however, the answer is

unequivocally yes: stock prices, corporate profits and CEO pay are all at record levels, and an unparalleled avalanche of cash is flowing into the two parties from billionaire backers.

The Republicans raise the impact of the slump on working people in an entirely cynical fashion, for purposes of electoral advantage, while advocating policies that will make the conditions of life for workers and their families even more difficult and oppressive.

Obama and the Democrats are basing their reelection campaign on the success of the bank bailout and other economic measures taken by the administration in restoring corporate profitability and the wealth of the ruling class. But they cannot say this openly, or it would puncture the election-year pretense that the Democratic Party stands for the interests of working people. Hence the effort to deflect the issue to the auto bailout, which allows the White House apologists to present a bonanza for corporate America as though it were a triumph for working people.

It was left to Vice President Biden to address the issue most crudely, during his Detroit appearance. “America is better off today than they left us when they left,” he said, referring to the previous Bush administration. “Let me just sum it up this way, folks... Osama bin Laden is dead, and General Motors is alive.”

This sums up, in characteristically vulgar fashion, the essential program of the Obama administration, one shared in every respect by Romney and the Republicans: it defends the worldwide interests of American imperialism, exterminating its enemies wherever it can; and it defends the profits and wealth of corporate America, at the expense of American working people.



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