

Union leaders meet with Obama, back austerity drive against workers

Barry Grey
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Trade union leaders met Tuesday with President Barack Obama to give their support to his plans for massive cuts in social programs upon which tens of millions of workers depend.

The hour-long, closed-door meeting at the White House was the first act in a carefully orchestrated campaign to convince the public that unprecedented cuts in Medicare, Medicaid, Social Security, food stamps and other welfare programs are the only alternative to economic disaster in the form of the so-called “fiscal cliff.”

The task assigned to the union chiefs is to counter broad popular opposition to the cuts by promoting the White House claim that it is pursuing a “balanced” approach to deficit-reduction, combining spending cuts with increased taxes on the rich.

Also on Tuesday, the post-election “lame-duck” Congress, which continues to sit until the newly elected Congress takes office January 1, reconvened. Previous deals between the White House and congressional Democrats and Republicans insured that the lame-duck session would be conducted in an atmosphere of crisis over hundreds of billions of dollars in tax hikes and automatic spending cuts slated to begin January 1.

No sooner was the election out of the way than the ruling class launched a mind-numbing, saturation media campaign over the need to enact a bipartisan deficit-reduction plan before the new-year. Both the Democrats, who control the White House and the Senate, and the Republicans, who control the House of Representatives, agree that such a plan must include sweeping cuts in social entitlements and a comprehensive “reform” of the tax system.

The major sticking point is the rejection by the Republicans of any increase in income tax rates for the wealthy. Obama campaigned on allowing Bush-era tax

cuts for households making more than \$250,000 to expire. However, he and other Democrats have given signals since Election Day that they might accept a cap on tax deductions, as proposed by some Republicans, and pare back or drop their call for a hike in tax rates for the rich.

On Wednesday, Obama will meet with the CEOs of 12 major corporations, including General Electric, Walmart, American Express, Honeywell, Ford, IBM, Pepsico and Chevron. On Friday, he will hold talks with the top congressional leaders of both parties.

AFL-CIO President Richard Trumka stuck to the script as he emerged from the White House meeting Tuesday, declaring: “We are very, very committed to making sure that the middle class and workers don’t end up paying the tab for a party that we didn’t get to, and the president is committed to that as well.”

This is a lie.

As Trumka well knows, Obama is entering into talks with the Republicans having previously, in July 2011, offered a deficit-reduction plan that would raise the eligibility age for Medicare and cut health benefits for the program’s elderly recipients, reduce Social Security payouts to retirees, slash the Medicaid program for the poor, cut health benefits for veterans, and gut other social programs. At the same time, the plan would cut tax rates for corporations and the wealthy and limit or eliminate tax deductions that benefit the middle class and working class.

The union officials did not even mention the likely expiration January 1 of extended unemployment benefits, which will deprive more than 2 million jobless workers of cash assistance.

William Daley was White House chief of staff when Obama offered the Republicans this \$4 trillion “grand bargain” deficit-cutting proposal, including \$2.8 trillion

in spending cuts. Daley told Bloomberg News last week that Obama would likely use that plan as the starting point in the current negotiations with the Republican leadership, noting that the president and Republican House Speaker John Boehner had been “80 to 85 percent of the way” to an agreement before the talks broke down.

At the White House meeting Tuesday, Trumka was accompanied by Mary Kay Henry, president of the Service Employees International Union (SEIU), Lee Saunders of the American Federation of State, County and Municipal Employees (AFSCME), and Dennis Van Roekel, president of the National Education Association (NEA). Also present were the leaders of liberal organizations linked to the Democratic Party, including the Center for American Progress, the Center for Budget and Policy Priorities, and MoveOn.org.

Prior to the meeting, Kay told the *New York Times*, “We expect to have the president’s back on the agenda that the voters just declared support for. The president has always said he needs a movement behind his mandate.”

Kay was echoing the line of the Democrats that last week’s election was a popular mandate for bipartisanship, compromise and reining in the deficit. On the Sunday news interview programs, Democratic spokesmen uniformly spouted this position, in an attempt to justify their support for austerity measures.

Speaking on NBC’s “Meet the Press” program, New York Senator Charles Schumer told moderator David Gregory, “Well, I agree with you, the mandate is compromise... We hear the mandate, continue to cut spending, but they [the Republicans] have to hear the mandate—real revenues...”

Newly elected Texas Congressman Joaquin Castro declared, “I believe you’ve got a Democratic Congress... that are willing to make those tough choices, that know that in the long term that we’ve got to reform entitlements. But we want some balance.”

The claim that the election was a mandate for bipartisan compromise and austerity is a fiction. A sharp fall in the overall vote, including a decline of 6-7 million votes from 2008 for Obama, reflected disillusionment and alienation from both parties and the entire political system.

In so far as the undemocratic and corrupt electoral process allowed any expression of popular sentiment, it

revealed hostility to the pro-corporate austerity policies advocated most openly by the Republicans. This was seen particularly in the defeat of so-called Tea Party Republicans in key House and Senate races.

At the same time, exit polls showed large majorities in favor of raising taxes on the rich and avoiding cuts in social programs, and little concern over the deficit.

Whatever form it ultimately takes, the budget deal between Obama and the Republicans will fuel working class anger and opposition, which will be increasingly directed against the Democratic administration. The union bureaucracy is being called upon to head off opposition from workers, but this will succeed only in further discrediting both it and the right-wing organizations it controls.



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