

US sequester cuts and the fraud of “political gridlock”

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US President Barack Obama signed a bill Tuesday that makes permanent \$85 billion in sequester cuts, paving the way for the imposition of furloughs on a million or more federal workers as early as next month.

The bill, which funds the federal government through September, was passed with bipartisan support by both houses of Congress.

The sequester includes \$9.9 billion in cuts to Medicare, \$2 billion in public housing assistance cuts, \$840 million in cuts to special education programs, as well as \$400 million in cuts to Head Start, the early childhood education program.

The nearly 4 million long-term unemployed who receive federal unemployment benefits will see an 11 percent cut in their benefits, or about \$130 per month. A vast portion of the cuts will be implemented through furloughs of federal government employees, resulting in effective pay cuts of 20 to 35 percent. The military, however, announced that it may delay the furlough of some of its civilian employees after the Congressmen inserted language giving it greater flexibility in allocating cuts.

Adding to the devastating impact of the furloughs, the bill freezes federal employees' pay through the end of this year. This reverses an earlier executive order to end the current pay freeze, which has been in place for two years, and gave federal employees a meager 0.5 percent raise. The pay freeze, even more than the bill itself, has gone largely unreported in the media.

The White House sought to distance itself from the cuts, with Obama spokesman Jay Carney stating in a press conference Tuesday, “There is no question that we believe we should not have come to this point where sequester would be imposed.” He added that “regular folks out there are being unnecessarily harmed by imposition of the sequester, which was designed by

Democrats and Republicans purposefully never to become law, to be filled with nonsensical approaches to deficit reduction.”

This is a fraud. The rapid passage of the bill with bipartisan support stands as a repudiation of the official narrative of a vast political divide between the two parties, and exposes the reality that the Democrats and Republicans, far from being at loggerheads, are united in their drive to make the working class pay even as the stock market soars and the corporate and financial elite is wealthier than ever.

While mouthing the obligatory and pro-forma statements of regret, the Democrats did absolutely nothing to stop the passage of the bill, which if blocked would have resulted in a shutdown of the federal government on March 28.

The political “gridlock” in Washington is largely manufactured for public consumption. Behind the supposed bipartisan conflict, both parties are proceeding with a shared agenda. The sequester cuts themselves were the product of this supposed “gridlock.” Originally devised by the White House to ensure the passage of a broader deficit deal, the measure was used to implement unpopular cuts without either party having to claim responsibility for them.

In reality, the sequester cuts are entirely in line with the Obama administration's earlier policies. In 2009, the administration called for discretionary spending to be lowered to the level imposed by the sequester. On numerous occasions Obama has boasted about slashing spending to the lowest level as a percentage of GDP since the Eisenhower administration.

In an article published this week, “As Obama signs sequestration cuts, his economic goals are at risk,” the *Washington Post* noted the apparent contradiction between the White House's claims to defend the

“middle class” and the administration’s actual policies.

“Obama has repeatedly championed a set of government investments that he argues would expand the economy and strengthen the middle class, including bolstering early-childhood education, spending more on research and development, and upgrading the nation’s roads and railways... But none of those policies have come close to being enacted,” the newspaper noted. “Instead... Obama is set to sign a government funding measure that leaves in place the across-the-board cuts known as sequestration—a policy that undermines many of the goals he laid out during the 2012 campaign.”

In reality, Obama’s posturing as a defender of the “middle class” is entirely for show. Far from expanding programs like public education, Obama has from the beginning of his term attacked social spending, with over 700,000 state, local, and federal government jobs eliminated since he took office. His principal “economic goal” was to bail out the banks and oversee a historic transfer of wealth from the working class to the financial elite.

With the sequester cuts made permanent, the White House plans to turn its attention to slashing basic social programs with the release of the White House’s budget early next month. The Obama administration has made clear to its backers on Wall Street that it intends to slash Medicaid, Medicare, and Social Security in its budget proposal, combined with the standard call for “shared sacrifice” through additional revenue.

To the population, which is almost unanimously opposed to cutting these programs, Obama and the Democrats present their support for cuts to the core social programs as an unavoidable compromise in the face of Republican “intransigence.”

The two parties’ budget proposals are a case in point: the Republicans are proposing \$5.7 trillion in spending cuts and a far-reaching restructuring of Medicare and Medicaid. The Democrats, by contrast, are proposing about \$1 trillion in cuts, including a reduction in Medicare spending.

The result of this process will be the same as before: the Democrats will very consciously work out a deal to make vast cuts in the name of “compromise” with the Republicans. This deal, will, in turn, create the conditions for even further cuts in the future.

Under conditions of the greatest social and economic crisis since the Great Depression, there does not exist

within the entire political establishment any constituency for maintaining social programs, let alone expanding them. In the midst of desperate conditions for millions of people, the ruling class is united in its policy of making the working class pay for the crisis of capitalism.



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