

Obama's second term: a new stage in the social counterrevolution

Andre Damon
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Only three months into President Barack Obama's second term, the character of the next four years has been clearly demonstrated in the actions taken so far: an intensification of the social counterrevolution in the United States, the expansion of US militarism, and an unprecedented assault on democratic rights.

The administration's role as a direct agent of the banks is most clearly expressed in domestic policy. After handing trillions of dollars to the banks, producing soaring stock markets and record profits, the corporate and financial elite is determined to make the working class pay.

The 2012 elections were characterized by a general disillusionment of the American people in the political system as a whole, and the Obama administration in particular. To the extent possible within the extremely antidemocratic framework of the two-party system, however, the population sought to oppose the program of austerity by voting against Mitt Romney, most closely identified with the financial elite.

Before Obama's second term began, the *World Socialist Web Site* warned that Obama was preparing an unprecedented attack on the bedrock social programs. On the day of Obama's second inaugural address, the WSWWS warned, "It is already clear that the second term will mark an intensification of the right-wing policies of the first. The byword in domestic policy is austerity, targeting the core programs remaining from the 1930s and 1960s—Social Security and Medicare."

Despite running in the 2012 election as a defender of the "middle class" and posturing as an opponent of the draconian budget cuts proposed by the Republicans, once the election was over Obama immediately returned to the business of slashing social spending.

The administration's social agenda was made clear in the budget proposal leaked last week, to be formally

released on Wednesday. It makes an explicit demand for sharp and deeply unpopular cuts in Medicare and Social Security, the core federal health care and retirement programs for the elderly. This is only an opening proposal, beginning where Obama and Republican House leader John Boehner left off last year. Any ultimate "Grand Bargain" between the Democrats and Republicans will be even more draconian.

Obama's budget proposal slashes \$400 billion from Medicare and significantly increases out-of-pocket costs for everyday, preventative care. The result of these measures will be poverty and an earlier death for millions of people. The proposal also sets out to slash \$130 billion from Social Security over the next ten years by altering the way that cost-of-living adjustments are calculated.

The budget comes after Obama signed into law the "sequestration" cuts that include unpaid furloughs (amounting to wage cuts of 20 to 30 percent) for over a million federal workers, cuts to extended unemployment benefits by 11 percent, a freeze in pay for federal workers and across-the-board cuts to social programs that are having devastating consequences for millions of people across the country.

As a result of the sequester cuts, over 600,000 low-income women and children are being cut off from WIC, the Supplemental Nutritional Program for Women, Infants, and Children; 125,000 families are being deprived of federal housing assistance; and 1.2 million students will be affected by cuts to education subsidies.

These federal actions are accompanied by drastic cuts at the state and local levels. Last month, Michigan Governor Rick Snyder appointed an emergency manager to assume virtually unlimited powers over the

city of Detroit. The emergency manager, Kevyn Orr, is tasked with ensuring the flow of money to Wall Street bondholders by ripping up workers' contracts and privatizing the city's assets. Such actions are viewed as a model for future measures throughout the country.

Only a few days before Detroit's emergency manager formally took office, the city of Chicago, led by Mayor Rahm Emanuel, Obama's former chief of staff, announced plans to close 61 public schools, the largest single school closure announcement in US history.

All of this is part of a coordinated policy. While the US Federal Reserve prints \$85 billion a month to buy up the mortgage and other assets possessed by the banks, nothing is done to aid cash-strapped cities and states throughout the country. The aim is to force through historically unprecedented cuts in public education, health care and retirement programs that benefit the working class.

On foreign policy, Obama begins his second term with a series of extremely provocative actions in East Asia, flying nuclear-capable bombers through a region riven by national and geopolitical conflicts. The tensions over North Korea are being used to intensify the administration's "pivot to Asia," aimed at ensuring US domination in the Pacific, and directed above all against China.

The escalation of the attack on the working class and the growth of militarism are accompanied by a vast expansion of the government's police state powers. In early February, the White House released a "white paper" outlining its pseudo-legal rationale for the extrajudicial assassination of US citizens, dismissing with hardly a thought the basic constitutional right to due process. Attorney General Eric Holder asserted for the first time in March that the government has the right to assassinate citizens on US soil.

A key role in facilitating the social counterrevolution has been played by the trade unions and the pseudo-left organizations that orbit around the Democratic Party. Their aim is to prevent at all costs any political break from the two-party system, to insist that the Obama administration's right-wing policies are the result of Republican "intransigence," and that Obama can be pushed to drop his support for austerity through popular pressure.

After Obama's reelection, the *Nation* magazine, for example, gushed that it "marks the most decisive

mandate for an assertive, progressive governing model in well over a generation." How quickly such empty prattle has been exposed!

The actions of the Obama administration in its second term are a confirmation of what was already clear from the first term: that the political system in the United States, whether headed by a Democrat or a Republican, is impervious to the needs and interests of the vast majority of the population, the working class. It is a system completely subordinate to the demands of the corporate and financial elite.

Such actions do not pass unnoticed. The ruling class and its institutions stand discredited in the eyes of millions of people, in the United States and around the world.

For it to assert its own interests, however, the working class requires its own political party and program, which begins with the understanding that the rights and interests of working people are incompatible with the capitalist system. In opposition to the two parties of big business, the working class must build its own political party, based on a socialist program of reorganizing society on the basis of social needs, not private profit. This means joining and building the Socialist Equality Party.



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