

Behind the US budget conflict, a renewed bipartisan campaign to cut social programs

Patrick Martin
23 September 2013

With only a week remaining before the deadline to pass a federal budget, the Obama White House and congressional leaders continued their war of words over who is responsible for the political deadlock that threatens a partial shutdown of US government operations October 1.

The shutdown threat and a second legislative stalemate over raising the federal debt ceiling in mid-October are part of a deliberately orchestrated process, aimed at conditioning the American population to accept ever greater cuts in social spending and public services.

Obama devoted his Saturday Internet and radio speech to attacking congressional Republicans over the budget and debt ceiling deadlines, warning that a federal shutdown or debt default could have an incalculable impact on the US economy. Referring to last week's anniversary of the Wall Street crash triggered by the collapse of Lehman Brothers, he said, "after five years spent digging out of crisis, the last thing we need is for Washington to manufacture another."

White House officials have already spelled out a long list of federal services that will be cut back or halted entirely if there is no budget passed by September 30. Significantly, there will be no effect on the operations of the US military-intelligence machine, which will continue to bomb and kill overseas and spy on the American population at home.

There will, however, be immediate cuts in federal support for an array of domestic social services, from medical research, to support for low-income home buyers, to loans for rural communities. National parks would close to the public, and hundreds of thousands of federal workers would be furloughed or suffer payless paydays.

Obama pledged to work with Democrats and "reasonable Republicans" on a budget resolution and increase in the debt ceiling. But he condemned "a faction on the far right of the Republican party" who are threatening a government shutdown or default on debt to force a suspension of the Affordable Care Act, the Obama healthcare program that takes effect January 1.

Obama repeated this message in a speech Saturday night to the Congressional Black Caucus Foundation gala, where he claimed that the "top agenda" of House Republicans was to deprive millions of Americans of health care coverage. This demagogic comes in the wake of a series of decisions by the administration, in response to lobbying by business interests, to exempt many employers from the requirement that they provide insurance coverage for workers or pay a penalty.

Congressional Republicans fired back in interviews over the weekend, citing polls showing widespread public opposition to the Obama health care program. These polls reflect the justified distrust among tens of millions of working people over a program whose principal goal is to cut the cost of medical care for American corporations and the government.

Behind their own cynical criticisms of Obama's right-wing health care "reform," Republicans are in favor of measures to abolish Medicare, Medicaid and other federal healthcare programs and subordinate healthcare entirely to the profit drive of giant corporations.

There is a consensus in the US financial aristocracy, which dominates both parties, that federal social spending be slashed, as part of the overall program of driving down living standards and attacking the social rights of the working class. The divisions between the two corporate-controlled political parties, as well as within the Republican Party, between its Tea Party

wing and the congressional leadership, largely concern the tactics for imposing these cuts, not the direction or goals.

The Republicans set the pace for the cuts, demanding the most radical, extreme measures, such as the \$40 billion cut in food stamps adopted by the Republican-controlled House of Representatives September 20. From the Democratic side, the Obama administration has proposed significant cuts in Medicare and Social Security as part of its negotiations over the budget resolution, while Senate Democrats have proposed their own, somewhat smaller, cuts in food stamps.



To contact the WSW and the
Socialist Equality Party visit:

wsws.org/contact