

Behind the US government shutdown

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As the US government shutdown enters its third week, it has become increasingly evident that the ongoing crisis and threat of a federal default is being used to create the political framework for the intensification of attacks on the working class.

The scenario has been played out many times. The extreme right of the Republican Party sets the framework for the discussions, and the Democrats take the opportunity to agree to most or all of their demands, with which they broadly agree in any case. The outcome of the crisis is an even further shift to the right by the political establishment and the imposition of more sweeping cuts to social spending.

Over the past week in particular, the negotiations to reopen the government and extend the debt ceiling have turned to slashing Medicare and Social Security, with both the White House and Republican leaders making clear that they are seeking to use the present crisis to cut the bedrock social programs that keep millions of people out of poverty.

From the news coverage of the present budget discussion, one would get the impression that there existed broad public support for this agenda. Nothing could further from the truth. However, the actual public opposition finds absolutely no political expression in either party.

The devastating social effects of the ongoing government shutdown have likewise faded to the background of official discussions. The media has focused its attention solely on the impact of a possible debt default on financial markets, even as millions of recipients of the Women, Infants and Children (WIC) food assistance programs are threatened with hunger, and hundreds of thousands of government workers remain furloughed without pay.

The current discussions are centering on competing proposals from the House and Senate to temporarily fund the government and raise the debt ceiling so that

discussions over social cuts can proceed. A proposal being worked on in the Senate, authored by Republican Susan Collins, would pass a six-month funding resolution that would make the “sequester” budget cuts permanent, while additionally repealing a tax on medical device manufacturers. The Republican-controlled House is proposing a shorter-term extension of the debt ceiling.

The nominal cause of the US government shutdown—the opposition of sections of the Republican “Tea Party” movement to the Obama administration’s Affordable Care Act—have receded to the background, as talk has turned to Social Security and Medicare. In fact, Obamacare has the backing of the dominant sections of the corporate and financial elite, which see it, quite correctly, as a step in slashing health care for the population and shifting the cost burden away from businesses and the government.

The tone of the discussions was set by Obama in a press conference Tuesday, where he told Republicans that he was “willing to have conversations about anything,” adding, “I’ve put forward proposals in my budget to reform entitlement programs for the long haul and reform our tax code in a way that would...lower rates for corporations.”

These points were picked up in an op-ed published in the *Wall Street Journal* Wednesday by Republican Paul Ryan, the chairman of the House Budget Committee, who declared his support for cuts to Medicare and federal pensions.

The core federal health care and retirement programs have gone from the “third rail” of American politics—politically impossible to cut due to overwhelming popular support—to the principal target of the entire political apparatus. There have been repeated efforts to gut them, so far without success. The closest the two parties came to a deal was during the 2011 debt ceiling crisis, where Obama proposed over a

trillion dollars in cuts to entitlement programs as part of a \$2.8 trillion deficit-cutting package.

The 2011 crisis was resolved, however, with a more limited set of cuts to non-entitlement spending. This was followed by another \$1.2 trillion in across-the-board “sequester” cuts that began in March 2013, slashing tens of billions each year from education, housing assistance and programs that benefit the poor. Now the offensive against Social Security and Medicare has been renewed.

The ongoing government shutdown and the machinations of both parties are leading to the deepening alienation of the vast majority of the population from the political establishment. The Republican Party has suffered most immediately, with support plunging to the lowest levels on record dating back to 1992, according to a poll by Gallup.

However, this is only one expression of hostility to the entire state apparatus. An Associated Press-GfK poll found an approval rating of only five percent for Congress, with 83 percent of the population disapproving. In any democratic system, such numbers would make further governance impossible, as they express a complete absence of public confidence. The US government, however, is a government of, by and for the corporate and financial aristocracy.

The claim is repeated that there is “no money” to fund Medicare and Social Security, yet the federal government spent trillions of dollars bailing out the banks in the 2008 crash. The Federal Reserve hands \$85 billion per month over to the markets by purchasing US Treasury bonds and mortgage-backed securities.

Indeed, the preparations for a new round of attacks came the same week that Obama appointed Janet Yellen to head the Federal Reserve, after the alternate candidate, Lawrence Summers, a tried and true representative of the banks, was nixed by Wall Street because he raised certain questions about the long-term viability of the government’s money-printing operations. The handouts to the super-rich must continue at all costs.

The claim that there is no money to provide working people with decent health care and retirement benefits is entirely fraudulent. The resources exist, but they are monopolized by the small group of financial oligarchs who dominate political life in the United States.

The drive to dismantle Social Security and Medicare demonstrates once again the incompatibility of the capitalist system with the social rights of working people. All the social reforms gained in an earlier period are being gutted, even as the super-rich accumulate ever-more staggering sums of wealth.

The only way to defend the right to health care, education, and all other social rights is to build a mass movement of the working class armed with a socialist program. Large-scale industry and finance must be nationalized on the basis of the democratic control of working people. The dictatorship of the capitalist market must be ended, and society reorganized on the basis of social need, not private profit.



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