

Obama's phony campaign against inequality

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President Obama, announcing his so-called “economic promise zone” initiative in a White House speech on Thursday, gave a performance that expressed the cynical and contemptuous attitude of his administration and the entire ruling class to the plight of working people in America.

The event was staged as part of the administration's supposed campaign against inequality, whose entire substance, besides the “promise zones,” consists of a call to restore long-term unemployment benefits and enact a small increase in the minimum wage.

Speaking in the midst of the deepest economic crisis since the Great Depression, with the poverty rate rising and social inequality at historic levels, Obama made no attempt to present an objective picture of the social crisis in America. He offered no statistics on poverty, unemployment, hunger or the vast chasm separating the financial elite from the rest of the population. Nor did he attempt to explain why the social crisis had worsened during his tenure.

His remarks were perfunctory, off-the-cuff and punctuated by jokes. He gave no concrete details about the five “promise zones” he was announcing—in impoverished neighborhoods of Philadelphia, Los Angeles and San Antonio, and in Southeastern Kentucky and the Choctaw Nation of Oklahoma.

He stood in front of a group of students from the Harlem Children's Zone, a charter school funded by tens of millions of dollars in corporate donations that has become a model for the assault on public education being spearheaded by the Obama administration. The school's CEO, Geoffrey Canada, a leading figure in the movement to convert public schools to charters, appeared in the 2010 documentary *Waiting for “Superman”*, which blamed public school teachers and principals for the problems caused by poverty and lack of funding. Obama singled out Canada as an inspiration for his “promise zones.”

Obama noted the presence of the Republican senators from Kentucky, Rand Paul and Mitch McConnell. Paul, who is ranked as one of the most conservative Republicans in Congress by the Heritage Action Network, told Fox News that Obama's “promise zones” resembled his own proposal to set up low-tax “economic freedom zones” throughout the US. “They say the sincerest form of flattery is in imitation,” Paul quipped.

Obama avoided any criticism of the corporate-financial elite, which has exploited the economic crisis to drive down wages, increase speedup and generate record profits and CEO pay. He went out of his way to make clear that his initiative was business-friendly. “This month I'm going to host CEOs here at the White House, not once, but twice,” he said.

The speech came a day after the White House published a fact sheet on its “promise zones” program, which made clear that the initiative was nothing more than a repackaging of various pro-business, anti-public education programs. The real content of the proposal is to offer business tax cuts in each of the zones. The fact sheet concluded by saying, “President Obama has proposed, and called on Congress to act, to cut taxes on hiring and investment in areas designated as Promise Zones... to attract businesses and create jobs.”

Obama opened his remarks by invoking Lyndon Johnson's January 1964 call for the eradication of poverty and joblessness, noting, “It is now fifty years since President Johnson proclaimed an unconditional war on poverty in America.” At the time, Johnson called the elimination of poverty a test of the capitalist system. Yet the current president said nothing about the failure of that system to come anywhere near putting an end to poverty.

And while Johnson's Great Society, extending the social reforms of Roosevelt's New Deal, enacted government programs such as Medicare, Medicaid and

food stamps that significantly reduced poverty, Obama signaled the purely token character of his proposals by declaring that “government doesn’t have all the answers”, “no amount of money” can solve social problems, and the best that can be done is to “make a difference.”

Obama gave his speech the same day the Census Bureau reported that in the first three years of his presidency, nearly one third of the country’s population, 31.6 percent, fell below the federal poverty line for at least two months.

He spoke even as his administration was intensifying the austerity policies that had inflicted pain and deprivation on tens of millions of Americans. It was widely reported Thursday that congressional Democrats had agreed to cut \$9 billion in food stamp benefits on top of the \$5 billion cut that was implemented last November.

The White House’s rhetorical pivot on inequality coincides with an administration-backed budget deal that leaves in place over a trillion dollars in sequester cuts while slashing federal workers’ retirement benefits and imposing regressive consumption taxes.

The administration has backed the plans of Detroit Emergency Manager Kevyn Orr to use bankruptcy to slash the retirement and health benefits of city workers and sell off the artwork at the Detroit Institute of Arts.

Meanwhile, the Affordable Care Act, popularly known as Obamacare, is being exposed every day as a scam to slash health benefits for tens of millions of Americans and boost the profits of insurance and health industry corporations. It is the first step in an assault on the key social programs—Social Security and Medicare—that Obama cynically invokes for public consumption, even as he plots with the Republicans to cut and ultimately privatize.

The declared focus on social inequality is a marketing strategy aimed at rehabilitating the image of the Obama administration amid growing popular anger over its right-wing social policies, its illegal domestic spying programs, and its foreign policy of militarism and war. The phony campaign is being coordinated with the trade unions, in conjunction with their fast food protests and lobbying for a rise in the minimum wage, backed by the allies of the union bureaucracy in liberal and pseudo-left circles.

By means of this ruse, the Democrats hope to bolster

their chances in the 2014 midterm elections and hold back the growth of working class opposition.

But no amount of spin and deceit can conceal the failure of the capitalist system. The fifty years since the announcement of the War on Poverty have demonstrated that poverty, unemployment and exploitation are intrinsic to the profit system.

Today it is becoming ever more clear that the social gains of the past cannot be defended except in a struggle to put an end to this system and replace it with one based on social need, not corporate profit and the accumulation of private wealth by a parasitic elite. The urgent task is the building of a mass socialist movement of the working class.



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