

# US Congress unveils austerity budget as Senate delays extension of jobless benefits

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Congressional negotiators released a bipartisan proposal for the 2014 Omnibus Appropriations bill Monday night, which if approved would spend \$1.1 trillion to fund US government operations through October. The House of Representatives is scheduled to vote on the budget bill Wednesday, giving the public less than 48 hours to review its contents.

The budget negotiations, which were led by House Appropriations Committee Chairman Harold Rogers (Republican of Kentucky) and Senator Barbara Mikulski (Democrat of Maryland), built upon a framework reached in early December. This framework included cuts to retirement benefits for federal workers and military retirees and the imposition of regressive consumption taxes.

The budget is receiving strong bipartisan support, illustrating the commitment of both parties to the social counterrevolution implemented by the American ruling elite since the crash of 2008.

“I feel really good,” US Representative Tom Cole (Republican of Oklahoma), said of the upcoming vote. “I think we’ll get a majority of the majority. I expect that on both sides of the aisle.”

“It’s a bipartisan compromise that will pass with bipartisan support,” a Republican leadership aide told the *Hill*.

“The bipartisan appropriations bill represents a positive step forward for the nation and our economy,” read a statement issued by Sylvia Burwell, Obama’s White House budget director.

Crucially, the budget leaves in place automatic across-the-board cuts in domestic spending implemented under “the sequester,” which have already reduced social spending by more than 8.8 percent over the course of two years, former investment banker and Obama administration insider Steven Rattner told the

*New York Times*. If fully implemented, the cuts enacted through sequestration and continued in the bipartisan budget deal will reduce social spending to levels that existed before Johnson’s War on Poverty program 50 years ago.

In two separate votes on Tuesday, US Senators blocked legislation from coming to the floor that would have approved an emergency extension of long-term unemployment benefits for 1.3 million Americans. The first vote, on a Democratic proposal to extend benefits for 11 months, was defeated 52 to 48. The second Republican-backed measure, which proposed a three-month extension of benefits tied to a continuation of the sequester cuts through 2024, lost by a vote of 55 to 45. Congress allowed the benefits to expire last year on December 28, leaving millions of unemployed workers and their families in the lurch.

Taken together, these developments illustrate the determination of the entire political establishment to forge ahead with far-reaching austerity measures.

Unemployment benefits may ultimately be extended, despite the delay, because allowing them to expire would only pour fuel on the growing outrage against the austerity agenda. Even if the extension does go through, however, the benefits will be curtailed and extended only temporarily.

In the most cynical fashion the Democrats—who allowed the benefits to expire in the first place—have seized upon this issue to pose as defenders of the jobless and blame the failure to pass an extension on the Republicans. Even as the unemployment crisis deepens—the first jobs report of 2014 showed that the job creation rate is 50 percent below the pace necessary to keep up with the expanding population of jobseekers—the Democrats are playing political football with the lives of millions.

This comes in the wake of the latest maneuvers in Obama's phony campaign against inequality. In a speech from the White House last week, the president touted plans for "economic promise zones," which will offer large tax breaks to businesses and accelerate the spread of charter schools, and vowed to lead a renewed fight against inequality in the US.

This initiative is a transparent effort to placate growing popular anger over historically unprecedented levels of social inequality, while creating more favorable conditions for exploitation and profit-making by big business. The claim of the Obama administration to be launching serious anti-poverty initiatives could not be more ludicrous. Never before in US history have the lies which sustain official bourgeois politics been so far removed from the underlying social reality.

Far from opposing inequality, everything the Obama administration has done since coming to office—from bank bailouts and wage-cutting attacks on auto workers and teachers, to fueling the stock market bubble and supporting the bankruptcy of Detroit—has served to effect a massive transfer of wealth from the bottom to the top of US society.

The budget unveiled Monday restores the sequestered funding for the US war machine while leaving in place the sequester cuts affecting social programs. Non-Defense government agencies, including Agriculture, Finance, Interior, Veterans, State, Transportation and Housing, will receive a total of \$491.7 billion. The Supplemental Nutrition Assistance Program (SNAP), established by the Food and Nutrition Act of 2008 to replace the Food Stamp program, will receive \$82.1 billion. SNAP funding was slashed at the end of last year, reducing the food budgets of at least 47 million Americans at one stroke. Preparations are underway for a vote that will further slash food stamps by \$9 billion.

The military component of the spending package, the fiscal year 2014 Defense Appropriations bill, allocates \$520.5 billion for the Pentagon's baseline yearly budget. The budget disperses an additional \$92 billion in supplementary funding for the "war on terror" and \$200 million for the David's Sling/Iron Dome missile defense shield run jointly by the US and Israeli militaries. The Pentagon will also receive funding for an array of new weapons systems, including 29 brand new F-35 Joint Strike Fighters, eight new warships, V-22 Ospreys and other war planes, upgraded F-18

fighters and Army helicopters.

The budget proposes to send \$1.525 billion in aid to the Egyptian junta in a clear signal that Washington will continue backing the authoritarian regime that emerged from last year's military coup.



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