

The state of American society as 2015 begins

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As the New Year begins, the social crisis gripping tens of millions of working people in the United States is worsening. Hunger, poverty and long-term joblessness remain at the highest levels in decades, while vital social services continue to be slashed.

One would never know this from reading the press, watching the evening news, or listening to the statements of politicians. The official discourse is dominated by the supposed revival of the American economy, characterized by record corporate profits and stock prices. The fact that the great majority of the population finds it increasingly difficult to make ends meet finds no reflection in the media or official politics.

The incoming Republican-dominated Congress, working with the Obama administration, will focus on cutting corporate taxes and business regulations, planning new wars, and expanding the repressive apparatus of the state. No representative of the political establishment, including the supposedly outspoken liberal Elizabeth Warren and the “independent socialist” Bernie Sanders, is proposing any significant measures to address the deepening social crisis.

The constant of domestic policy—enthusiastically pursued by both big-business parties—is an unrelenting assault on the working class.

Critical social programs are being cut further. Last week, funding for a two-year temporary increase in fees paid to doctors who treat Medicaid patients expired, leading to a reduction in payments of up to 43 percent. The fee cut will lead doctors to stop accepting Medicaid patients under conditions where millions more low-income people are being added to the Medicaid rolls as part of Obamacare.

This week, the Center on Budget and Policy Priorities reported that another one million people are scheduled to lose food stamp benefits next year as a result of the imposition of a three-month limit on food stamps for childless adults. Federal food stamp funds were cut by

billions of dollars on two separate occasions over the past three years.

These regressive and antisocial policies are being reproduced at the state and local level. The city of Detroit, which just exited from the largest municipal bankruptcy in US history after slashing municipal workers’ pensions and health benefits, is notifying the owners of 35,000 occupied homes that they will be foreclosed upon unless they pay back taxes. The threatened foreclosures could affect nearly 100,000 people, or one in seven of the city’s residents.

The announcement comes as the city continues the systematic shutoff of water service to tens of thousands of residents.

The Detroit bankruptcy has served as a model for plundering workers’ benefits and privatizing public facilities for other cities across the US. The mass foreclosure and water shutoff programs will similarly serve as a precedent for purging potentially valuable urban real estate of working-class and poor residents.

These policies will exacerbate the social crisis facing the working class, which has been devastated not only by the 2008 crash, but also by a “recovery” characterized by falling wages and worsening working and living conditions.

Falling wages have contributed to a rise in poverty, which increased from 12.6 percent of the population in 2007 to 14.5 percent in 2013. According to the Census Bureau’s Supplemental Poverty Measure (SPM), 47 percent of Americans have incomes below 200 percent of the official poverty level, making half of the country either poor or near poor.

According to one study using the SPM as a baseline, “Nearly two-thirds of New York City residents struggled to make ends meet at some point during 2012.”

Nearly one in four US children lives in poverty, the highest level in 20 years. One in five children does not

get enough to eat, and the overall rate of food insecurity has grown from 11 percent in 2007 to 16 percent in 2013.

While the official unemployment rate has declined, the share of working-age men who are employed hit its lowest level on record in November 2014. This figure has fallen from 86.7 percent in 1948 to 69 percent today. The share of employees working at temp agencies has climbed during the economic “recovery.” More than 12 million people, or ten percent of the labor force, worked for a temporary employment agency at some point in 2013.

The share of the national income going to the richest 1 percent, and, above all, the top 0.1 and 0.01 percentiles, grows by leaps and bounds. Democracy can be nothing but a hoax in a society characterized by such levels of inequality.

The American political system is not a democracy; it is a plutocracy—a government of, by and for the rich. The financial aristocracy of bankers and financial parasites runs the country by means of the CIA, the military and a thoroughly bribed retinue of politicians from the White House and Congress down to City Hall.

Last week, Bloomberg reported that “three of the country’s wealthiest political contributors each saw their net worth grow in 2014 by more than \$3.7 billion, the entire cost of the midterm elections.” This means that it is within the capacity of one person to buy not just a few congressmen or senators, but an entire election. Nothing that in any way challenges the interests of the oligarchy can be broached, much less implemented, within this framework. The “partisan gridlock” that prevails in Congress is largely a form of political theater for the purpose of deceiving the public and obscuring the overriding bipartisan consensus for austerity at home and war abroad.

The growing divergence between the needs and aspirations of the great majority of the population and an increasingly sclerotic political system, expressed in the record low turnout in last year’s election, must ultimately produce revolutionary consequences. There are already signs, such as the wave of protests against police killings, of mass social struggles to come.

They can succeed only if they take the form of an independent political struggle of the working class against both parties of big business and the capitalist system they defend.



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