

Trump's scorched-earth budget: \$1.7 trillion in cuts to vital social programs

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On Tuesday, the White House unveiled a \$4.1 trillion fiscal 2018 budget that proposes to take the ax to social programs that protect the health and welfare of millions of American workers.

The budget amounts to a scorched-earth attack on all aspects of social life. It would claw back social gains made by workers over the past century and slash funds to programs that raised millions out of poverty, particularly since the 1960s.

The proposal is not simply the brainchild of the fascistic-minded billionaire who occupies the White House or the criminal oligarchy he represents. It is the culmination of decades of attacks on social conditions and programs by both big-business parties.

While the Democrats have aimed their fire at the president from the right, pursuing their campaign, along with the "liberal" media, to escalate the US military confrontation with Russia, the Trump administration is forging full steam ahead to advance its ultra-reactionary domestic agenda.

After feigning outrage at the budget's proposed cuts and tax breaks for the wealthy, the Democrats will eventually fall into line and work with the president to come up with a dirty compromise. The end result will be a budget that makes the most sweeping attacks on core social programs in US history.

The budget, titled "A New Foundation for American Greatness," is a 52-page declaration of war against the working class. The document spells out \$3.6 trillion in spending cuts over 10 years.

It takes as its jumping-off point an attack on Medicaid that would eviscerate the health insurance program for the poor. It then moves on to gut food stamps, welfare and Social Security disability benefits.

An assault on immigrant rights and a parallel buildup of forces to police the border is next on the agenda. The military would receive a 10 percent boost in funding, including many projects already planned by the Obama administration.

Federal workers' jobs and benefits are targeted. The proposed budget also includes hundreds of billions of dollars in cuts to scientific research, environmental protection and the arts. No area of social life is to be left unscathed.

Social programs

Medicaid: The centerpiece of the budget is an \$800 billion cut over the next decade to Medicaid, the health insurance program for the poor and disabled, jointly administered by the federal government and the states, which presently covers more than 74 million Americans.

Taking its cue from the House Republicans' American Health Care Act (AHCA) passed May 4, the Trump budget would put an end to Medicaid as a guaranteed benefit based on need, replacing it with per capita funding or block grants to the states.

As part of its effort to "repeal and replace" Obamacare, the AHCA would also end the expansion of Medicaid benefits to those with incomes up to 133 percent of the federal poverty line, resulting in 10 million beneficiaries being booted off the rolls.

The budget proposal notes: "States will have more flexibility to control costs and design individual, State-based solutions to provide better care to Medicaid beneficiaries." These are code words for the states to institute work requirements, introduce or raise premiums and co-pays, cut benefits or throw enrollees off the program altogether.

Food stamps: The Supplemental Nutrition Assistance Program (SNAP), known as food stamps, would be slashed by \$193 billion over a decade, a 25 percent reduction. The budget calls for "a series of reforms to SNAP that close eligibility loopholes, target benefits to the neediest households, and require able-bodied adults to work." The program currently serves 44 million people.

Social Security: The president who vowed not to touch Medicare, Medicaid and Social Security is also proposing an attack on Social Security's Supplemental Security Income program, which provides cash benefits to the poor and disabled.

The proposal bemoans the fact that people with disabilities currently have low rates of labor force participation. The budget aims to save \$72 billion over 10 years, undoubtedly resulting in large numbers people with disabilities being struck from the rolls with no social safety net.

Welfare: Welfare benefits, known as Temporary Assistance

for Needy Families (TANF) since the Clinton administration's "reform" of welfare in the 1990s, will be slashed by a staggering \$272 billion over a decade, again by reducing federal funds and shifting responsibility to the states, which will institute work requirements and other restrictions to reduce benefits and remove people from the rolls.

Federal workers: The budget would cut \$63 billion by increasing federal employees' payments to their defined benefit Federal Employee Retirement System, as well as eliminating cost-of-living adjustments for existing and future retirees. There are also plans to privatize the air traffic control system, saving \$70 billion.

Immigrant rights: The budget proposes to implement a "merit based" immigration system, reducing the number of immigrants with lower levels of education. The proposal notes that in 2012, "76 percent of households headed by an immigrant without a high school education used at least one major welfare program, compared to 26 percent for households headed by an immigrant with at least a bachelor's degree."

In an effort to keep out less educated immigrants portrayed as a drag on social spending dollars, the budget includes \$44.1 billion for the Department of Homeland Security and \$17.7 billion for the Department of Justice for "law enforcement, public safety and immigration enforcement programs and activities."

The president's plan calls for hiring 500 new Border Patrol Agents and 1,000 new Immigration and Customs Enforcement law enforcement personnel in 2018. The budget proposes an additional \$1.5 billion above 2017 levels for "expanded detention, transportation and removal of illegal immigrants."

The budget also calls for investing \$2.6 billion to plan, design and construct a physical wall along the Mexican-US border to keep out immigrants fleeing poverty and violence in Latin America, a cost that the president claimed during his campaign would be paid by Mexico.

Science and the environment: Massive cuts in spending on scientific research, medical research and disease prevention are in the 2018 budget request, including but not limited to:

- National Cancer Institute: \$1 billion cut
- National Heart, Lung and Blood Institution: \$575 million cut
- National Institute of Allergy and infectious Diseases: \$838 million cut
- National Institutes of Health: budget cut from \$31.8 billion to \$26 billion
- National Science Foundation: \$776 million cut.

Spending on the Arts: The Trump budget proposes to eliminate federal funding for the following:

- The Corporation for Public Broadcasting
- The Institute of Museum and Library Services
- National Endowment for the Arts (begin shutting down in 2018)
- National Endowment for the Humanities (begin shutting down in 2018).

Military: The budget includes \$639 billion of discretionary budget authority for the Department of Defense, a \$52 billion increase above the 2017 continuing resolution level. The proposal stresses that this spending is to be "fully offset by targeted reductions elsewhere"—i.e., through the draconian social spending cuts detailed above.

Tax cuts: The budget outlines a number of tax breaks, which will overwhelmingly benefit the wealthy. These include repealing the 3.8 percent Obamacare surcharge on capital gains and dividends and abolishing the estate tax (the "death tax," according to Republican jargon).

The president's proposal also points to the "anticipated economic gains that will result from the President's fiscal, economic, and regulatory policies," including tax cuts, which it claims will reduce the deficit by \$5.6 trillion over a decade compared to the current fiscal path.

The budget assumes that economic growth will reach 3 percent by 2021 to help balance the budget by 2021. This rosy prediction is belied by numerous sources, including the Congressional Budget Office, which projects 1.9 percent annual growth, and the Federal Reserve, which projects a 1.8 percent growth rate.

Taken together, the spending cuts proposed in Trump's "American Greatness" budget proposal constitute the wish list of a ruling oligarchy, which is dispensing with the idea that a civilized society has a responsibility to provide its citizens with basic social necessities.



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