

# US federal, state governments wage war on workers and the poor

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“America is strong and roaring back. Paychecks are climbing. Tax rates are going down. Businesses are investing in our great country. And most important, the American people are winning,” wrote Donald Trump in a guest column published by *USA Today* and various newspapers across the United States last week.

These lying words stand in sharp contrast to the reality facing millions of households across the country who are struggling to put food on the table, keep a roof over their heads and maintain their health. In what can be described only as a sadistic crusade, the ruling elite is waging a war against the most vulnerable segments of American society in the form of cuts to social programs on which people depend to keep them from plunging further into poverty and despair.

While Trump and corporate boardrooms celebrate the “booming” economy and the rising stockpiles of cash for the super-rich, they are seeking ways to gut what remains of the social safety net for millions of workers and the poor. A key component of this assault is the imposition of work requirements for recipients of Medicaid and the Supplemental Nutrition Assistance Program (SNAP), commonly known as food stamps.

With the aim of expanding work requirements, earlier this month President Trump ordered the secretaries of six federal departments to seek out new ways to gut existing programs and impose onerous work requirements for continuing assistance. Medicaid, food stamps, housing assistance and welfare programs all face being substantially diminished by the president’s executive order.

More than 67 million people are currently covered by Medicaid, the health insurance program for the poor jointly administered by the federal government and the states. About 1.7 million of these could be impacted by work requirements being proposed in 10 states,

according to a recent report by the PwC Health Research Institute. Those targeted by the work requirements account for nearly \$8 billion in annual medical expenditures and it is these funds that the federal and state governments want to claw back to the greatest extent possible.

With a straight face, Trump administration officials told state Medicaid directors in January that work or “community engagement” requirements would “promote better mental, physical, and emotional health” and help families “rise out of poverty and attain independence.” In fact, it would punish the unemployed or under-employed by pushing them into deeper poverty and robbing them of health insurance in the bargain.

An estimated 42 million people receive SNAP benefits, with the average benefit per household only about \$128 a month. Republicans have proposed work requirement provisions in the farm bill now going through Congress that would, if enacted, reduce benefits for 2 million people or eliminate them altogether, according to the Congressional Budget Office (CBO).

The measure would require most adults, ages 18 to 59, to work at least 20 hours a week, enroll in job training, or look for work under the supervision of a case manager. All but the elderly would be required to present utility bills. In a particularly cruel twist, those current SNAP beneficiaries most likely to face cutbacks would be in *working households—those with members who work but are paid wages so low that they qualify for food assistance.*

According to the Center on Budget and Policy Priorities (CBPP), many people would be cut off because they would be unable to document working 20 hours a week, their employers would cut their work

hours below 20, or they could not work due to a mental or physical health problem but did not submit the necessary paperwork to document their condition.

The bill would allocate only \$1 billion a year for employment, vastly underfunding programs that would have to provide places for some 3 million people or more each month who are not employed. The intent is clear: compel people to adhere to impossible work requirements, set up sham work training programs and—when they do not comply—axe their benefits.

Wisconsin has been in the forefront of the attack on food stamp beneficiaries. In February, the state passed a law prohibiting food stamp recipients from owning a car valued at more than \$20,000. This regulation means that in order to receive the already inadequate SNAP benefits, a family would need to divest itself of a reliable vehicle, the only way in many areas to commute to work.

In 2013, Wisconsin's governor, Republican Scott Walker, signed legislation requiring childless adults who are not disabled to work at least 20 hours a week or attend training programs at a few scattered centers across the state in order to continue receiving food stamps.

Walker also pushed the ban on SNAP recipients owning \$20,000 cars with the preposterous declaration that he wanted to ensure that “people with giant mansions and fancy cars don’t get welfare checks while hardworking taxpayers have to pay the bill.” This from a man who lives in the governor’s mansion in Oak Bluff—with 34 rooms, 13 bathrooms and seven bedrooms and fireplaces—and is driven around by state police escort, all at taxpayers’ expense.

This attack on food stamp benefits in Wisconsin has yielded a 28 percent reduction in SNAP spending, from \$1.2 billion in 2013 to about \$867 million in 2017, according to a detailed report Monday in the *Washington Post*. State officials report that only 25,000 of 700,000 food stamp recipients in the state have found work, while more than 86,000 people were cut off food stamps but did not report getting jobs.

Such cuts have a dual purpose: slashing expenditure to finance additional tax cuts for the wealthy, and driving the starving poor into low-wage employment at new centers of capitalist exploitation like that being set up for Foxconn, the giant Taiwanese subcontractor for Apple and other consumer electronics firms. Foxconn

has found that it can operate just as profitably in southeast Wisconsin, with cheap labor and state tax breaks, as in its notorious sweatshops in southern China.

As Trump and the Republicans plan the expansion of work requirements for social programs, Democrats in Congress have offered a tepid response. Predictably, Senators Bernie Sanders of Vermont and Elizabeth Warren of Massachusetts have put forward legislation which they know has no chance of passing, but allows them to pose as champions of the country’s “most vulnerable children.” Their SNAP for KIDS Act would increase food aid for school-age children by a measly \$42 a month.

These maneuvers cannot disguise the joint responsibility of the two corporate-controlled parties for the catastrophe confronting the working class.

It was Democratic President Bill Clinton who modeled his destruction of “welfare as we know it” in 1996, ending the federal entitlement with the passage of the Temporary Assistance for Needy Families act, on the example of Governor Tommy Thompson of Wisconsin (1987-2001), who limited how long the poor could receive cash assistance. Clinton’s welfare “reform” yielded the intended results, reducing the number of families on welfare from 12.4 million in 1996 to 4.6 million in 2012.

Now, while President Trump has touted the Tax Cuts and Jobs Act of 2017 as a boon to hiring, two-thirds of respondents to a survey by the National Association for Business Economics say the tax cuts have not changed their plans about hiring and investment.

Rather, the act’s impact in increasing the national debt by an estimated \$1.5 trillion over 10 years has been seized upon by retiring Speaker of the House Paul Ryan of Wisconsin to call for “entitlement reform” in the form of deeper cuts to Medicaid and food stamps, but with the ultimate aim of dismantling Medicare, the health insurance program for the elderly, and the Social Security retirement program.



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