

US housing secretary proposes tripling of rent for the poor

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US Department of Housing and Urban Development (HUD) Secretary Ben Carson's "Making Affordable Housing Work Act of 2018," unveiled last week, would spell destitution for the poorest households receiving federal rental assistance, virtually all of which have annual incomes of less than \$7,000. Roughly 1.7 million people, including 1 million children, would face eviction and homelessness.

The typical household affected would be a single mother with two children, with an annual income of \$2,400—or just \$200 a month. After paying rent, under this proposal, the family would have only \$48 a month left to pay for necessities like clothing, diapers, school supplies and food or medical needs not covered by other assistance.

The housing proposal would impose a mandatory tripling of the minimum rent for households with an adult younger than 65, to at least \$152; raise rents from the current 30 percent to 35 percent of gross income; and allow local public housing authorities to impose work requirements on those receiving benefits.

Carson's sadistic plan is only the latest in a series of attacks on the most vulnerable and impoverished Americans that are being proposed or carried out at the federal and state level. It follows an executive order by President Trump instructing the secretaries of six federal departments to seek out new ways to gut existing programs and impose work requirements for Medicaid, food stamps, home heating assistance, housing assistance and welfare benefits.

In addition to housing assistance cuts, other major programs targeted include:

* **Medicaid:** Trump's Centers for Medicare & Medicaid Services (CMS) has given wide latitude for states to impose work requirements in Medicaid, the health insurance program for the poor jointly administered by the federal government and the states. About 1.7

million out of the 67 million people currently covered by the program could be affected by work requirements now imposed or being proposed in 10 states.

* **Food stamps:** Republicans have proposed work requirements for the Supplemental Nutrition Assistance Program (SNAP), commonly known as food stamps, in the farm bill now going through Congress. If enacted, benefits for about 2 million people will be reduced or eliminated altogether. Those current SNAP recipients most likely to face cutbacks are working households—those with working members whose wages are so low, or hours of work so few, that they qualify for food assistance.

The ruling class drive to plunge workers and the poor more deeply into poverty and despair is seen most clearly in the state of Wisconsin, which has been at the forefront of the attack on food stamp benefits. In February, legislation was passed prohibiting SNAP recipients from owning a car valued at more than \$20,000.

Republican Governor Scott Walker preposterously claimed that the law was to ensure that "people with giant mansions and fancy cars don't get welfare checks while hardworking taxpayers have to pay the bill." The state has also imposed work requirements for food stamps benefits. These moves yielded a 28 percent reduction in SNAP benefits from 2013 to 2017.

In Kentucky, the first state imposing work requirements for Medicaid, advocates estimate that one in four Medicaid recipients who work sufficient hours to qualify during the year will have at least one month in which they fall below the state's requirement, putting them at risk of losing medical coverage. Those most at risk will be low-paid workers in food services, retail and construction.

These punitive cuts come as corporate boardrooms across the country toast the "booming" economy and rising stockpiles of cash, now at an estimated record of some \$2 trillion. Recent reports have shown median CEO

pay at the nation's 100 largest corporations rising to an 11-year high of \$15.7 million, 235 times the median pay of workers. Earlier this month the major Wall Street banks reported record profits for the first quarter of 2018.

The claim that there is no money to pay for a living wage for teachers and decent schools, housing, health care and nutrition is a lie. The problem is that the wealth produced by the working class is being stolen and hoarded by the financial oligarchy that controls both parties and runs the country.

These attacks on what remains of the social safety net are being implemented with barely a whimper of opposition from the Democratic Party, which remains single-mindedly focused on its anti-Russia campaign and the push for military escalation in Syria. Its opposition to Trump has nothing in common with the anger of millions of working people who oppose the administration's reckless militarism, its assault on immigrants and democratic rights, and its efforts to further enrich the oligarchs by gutting what remains of social programs for workers and poor people.

The Democrats speak for sections of the corporate elite and the military/intelligence establishment that consider Trump too "soft" on Russia and doubt his ability to handle the global affairs of US imperialism and crush growing opposition from the working class at home.

Last year, the Democrats put up no serious opposition to the Trump administration's gargantuan tax cut for the wealthy, which they support. Making the rounds on the Sunday morning talk shows yesterday, none of the Democrats who appeared had anything to say about the growing assault on social programs.

In this attack, the Trump administration is extending the social counterrevolution launched by Ronald Reagan in the 1980s. The war on the working class was carried forward by the Democratic Bill Clinton administration in 1996, which ended "welfare as we know it" by terminating it as an open-ended federal program, resulting in millions being cut off of any cash income.

The Obama administration deepened the war on workers and the poor, overseeing the closure of thousands of schools and the layoff of hundreds of thousands of teachers and other public employees. His bailout of the banks and restructuring of the auto industry were accompanied by a reduction in workers' wages, including a 50 percent cut in newly hired autoworkers' pay. He boasted that under his tenure, nondefense discretionary spending fell to the smallest share of the economy since the Eisenhower administration in the 1950s.

The latest assault on social programs, while directed initially against the poorest segments of the population, is aimed at the working class as a whole, which is entering into a new stage of struggle. The continuing rebellion of teachers in states across the US is a sign that the decades-long period in which the unions could suppress the class struggle is coming to an end.

The ruling class is expanding the pool of cheap labor by forcing Medicaid, food stamp and housing assistance recipients to work for poverty wages. These desperate and super-exploited workers are seen by the corporate elite as a battering ram to undercut the struggle of workers to reverse decades of wage and benefit cuts and attacks on working conditions.

The Democrats and Republicans speak for different factions of the capitalist ruling oligarchy. Not a single social problem confronting workers in the United States and around the world, however, can be solved without a frontal assault on the wealth and political domination of this ruling class.

The oligarchs' stranglehold on society must be broken and the massive resources monopolized by the rich seized to ensure the basic right of everyone to quality housing, a good-paying job, health care, education and a secure retirement. Expropriating the corporate cash hoard, for example, would provide 61 times the current budget of the Department of Housing and Urban Development (\$32.6 billion).

To implement this policy, the working class must organize itself as an independent political force. As the strike wave of teachers demonstrates, the working class is entering into struggle. The task of the Socialist Equality Party is to build a revolutionary, socialist leadership in every section of the working class, to develop a conscious political movement to overthrow the capitalist system, establish workers power and reorganize society to meet social need, not private profit.



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