

# Biden begins tour to promote his stimulus package

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President Joe Biden kicked off his “Help is Here” tour on Tuesday with a visit to a small business in Delaware County, Pennsylvania, outside of Philadelphia. Biden and other leading figures in his administration are touring the country to promote the recent passage of the \$1.9 trillion “American Recovery Act.”

The Biden administration has paid a significant amount of attention to the impact of the pandemic on small businesses. It estimates that approximately 400,000 small businesses have closed, with millions more struggling to survive. Biden’s relief package includes a \$28 billion grant program to support restaurants and drinking establishments, in addition to \$15 billion in flexible grants that can be allocated.

Biden is advancing a racist narrative as a key part of the promotion of his “American Rescue Plan.” He is particularly focusing on minority business owners. On Tuesday, he visited Smith Flooring Inc. in Chester, Pennsylvania, a black-owned business that supplies and installs flooring.

In essentially restating Richard Nixon’s program of “black capitalism,” Biden is seeking to consolidate support within affluent sections of the African-American population and other minority groups.

The *Philadelphia Inquirer* reported that Biden spoke briefly, mostly promoting his administration’s vaccine program. As part of his pledge to administer 100 million vaccinations within this first 100 days, Biden said he was working to distribute vaccines to pharmacies, community centers and schools in order to better reach minority communities.

“People hardest hit are in minority communities,” Biden said. “The rate at which they get COVID is higher, death rate is higher.”

Biden told Smith Flooring owners Kristin and James

Smith that “more help is on the way.” He added that small businesses would see more relief than was available in the first relief package enacted last spring.

Tuesday marked the beginning of a travel blitz across the country. First Lady Jill Biden visited an elementary school in Burlington County, New Jersey on Monday, while Vice President Kamala Harris and her husband were in Nevada. President Biden and Harris will travel to Atlanta, Georgia later this week.

The Democratic Party and allied media outlets have promoted the “American Recovery Act” as one of the most progressive pieces of legislation in US history, with comparisons to social reform programs such as the New Deal and the Great Society. Senator Bernie Sanders applauded the bill for allegedly “cutting child poverty in half.” Senate Majority Leader Charles Schumer said it was “the biggest package of relief since the New Deal.”

Congressional Republicans, for their part, are absurdly denouncing the package as “socialist.”

All such claims are grotesquely inflated and false. Michael Gerson, former chief speechwriter and senior policy advisor to President George W. Bush, criticized the rhetorical hyperbole in an opinion piece (“Biden’s plan is far from a new New Deal”) published Tuesday by the *Washington Post*.

Gerson acknowledged the substantial size of the \$1.9 trillion stimulus package, which equals about nine percent of the US gross domestic product, but rightfully called comparisons between the measure and the New Deal or Great Society “strained to the point of silliness.”

“Roosevelt and Lyndon B. Johnson established new federal roles in retirement security and health care, which were fulfilled by vast new federal bureaucracies,” Gerson wrote. “Biden is mainly adding

more money to existing programs and mediating institutions. For the most part, he is dramatically increasing the funding pressure in existing pipes. This does nothing to change the fundamental relationship between the citizen and the state.”

Gerson hastened to add, “For me, this is not a criticism.” He went on to state: “The American Rescue Plan reduces economic inequality—but not in such a way that it punishes the wealthy. According to the Tax Policy Center, the legislation will boost after-tax income in the lowest quintile by about 20 percent. Those in the top quintile will see their after-tax income rise by 0.7 percent. This is a pretty anemic socialist revolution.” He concluded by praising the package for “achieving liberal goals by market-oriented methods.”

In fact, Biden’s relief package does not establish a single social reform. All of its provisions are temporary, ending by 2022. While they provide welcome cash in the immediate term to families reeling from the economic impact of the pandemic, they are designed to prevent a collapse in consumer spending until Biden’s back-to-school and back-to-work drive, combined with expanded vaccination of the population, can bring about a revival of economic growth. The cash supplements will go largely to pay back rent and accumulated consumer debt, and then disappear.

With his cash handouts to sections of the working class and middle class, Biden and the forces on Wall Street for which he speaks hope to avert a social explosion amid mounting working class anger over being forced to work under unsafe conditions and worsening social inequality, while carrying forward the brutal ruling class policy of reopening the economy and boosting corporate profits, regardless the cost in human lives.

Hence the accompanying endorsement of the unionization drive at Amazon, aimed at further integrating the unions into the state and using them to suppress working class opposition, combined with the promotion of racial politics to sow divisions within the working class.

The New Deal included a series of major public works projects, such as the Tennessee Valley Authority, which brought electric power to large parts of the country and created thousands of jobs. It included the Social Security Act, which provided a permanent and universal retirement benefit as a social

entitlement. Johnson’s Great Society program, through limited and cut short by the Vietnam War, established Medicare and Medicaid, providing basic health insurance to the elderly and the poor.

Roosevelt’s liberal reforms were not freely given, but wrung from the ruling elite through mass struggles of the working class. Roosevelt represented a faction of the ruling class that understood concessions were necessary to preserve the capitalist system, which was widely discredited as the Great Depression devastated workers. The threat of socialist revolution compelled the ruling class to adopt reformist policies.

Similarly, Johnson’s Great Society was implemented amidst social upheavals during the 1960s, including the Civil Rights and anti-war movements, the urban rebellions and a massive strike movement for higher wages, which threatened to develop out of the control of the ruling class. Johnson’s “War on Poverty” ended almost as quickly as it began. It turned out to be not the start of a new period of social reform, but the last gasp of the period of reform that began with the New Deal. By the end of the 1960s, the Democratic Party had largely abandoned its efforts to secure the support of the working class and moved sharply to the right.

The Biden plan assiduously avoids any infringement on the wealth of the financial oligarchy, whether through increased taxes or other means, including the hundreds of billions in new wealth it has amassed in the course of the pandemic.



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