

US Senate passes infrastructure bill, moves on to budget

Barry Grey**10 August 2021**

Having secured Senate passage of a \$1 trillion bipartisan infrastructure bill on Tuesday, Democratic leaders moved to a Senate vote on a \$3.5 trillion budget resolution for fiscal year 2022, which begins on October 1 of this year.

The budget resolution cannot be filibustered and therefore requires only a majority vote for passage. Its adoption sets in motion a protracted process in both houses of Congress, with no assurance that either the so-called “human infrastructure” package of social and environmental measures outlined in the resolution or the bipartisan “bricks and mortar” infrastructure bill will gain final passage by Congress and be signed into law by President Joe Biden.

The Senate easily passed the infrastructure bill, with 19 Republicans joining all 50 Democrats to exceed the 60-vote super-majority required to defeat a Republican filibuster. Leading Republicans, including Minority Leader Mitch McConnell and Lindsey Graham, voted for the package, bucking fascistic attacks by Trump on the infrastructure bill and the “RINOS” (Republicans in Name Only) who joined with the “communist” Democrats to push the measure.

This reflects the broad support that exists within the ruling class for the package of pared-back, and completely inadequate, funding measures to begin to address the decades-long decay of roads, bridges, the electrical power grid, water systems, rail and public transit, as well as the lack of broadband internet access in the US. Among the bill’s official supporters are the US Chamber of Commerce, the Business Roundtable, the National Association of Manufacturers and the AFL-CIO.

Some attention to the country’s collapsing infrastructure is considered critical to reversing the global economic decline of American capitalism and shoring up the home front in preparation for economic warfare and potential military conflict with US imperialism’s rivals, chiefly nuclear-armed China and Russia.

At the same time, the Senate bill is being used to promote the notion that the nation can be united on the basis of bipartisanship—even as the Republican Party continues to back Trump’s coup attempt and oppose any investigation of the storming of the US Capitol on January 6. Meanwhile, Biden intensifies the pandemic policy of the ruling class, a policy of social murder directed against the working class, by pushing

the reopening of schools in the midst of a deadly eruption of the Delta variant and hospitalizations of children.

Democratic Senator Kyrsten Sinema of Arizona, a right-winger who headed up the group of Democrats and Republicans who negotiated the infrastructure package, said of the bill’s passage: “This is what it looks like when elected leaders take a step toward healing our country’s divisions rather than feeding those very divisions.”

Biden, Senate Majority Leader Charles Schumer and House Speaker Nancy Pelosi, with the full support of Senate Budget Committee Chairman Bernie Sanders, separated out the limited infrastructure spending proposals from broader social and economic proposals in a so-called “two track” strategy calculated to win support for the narrower bill from a sufficient number of Senate Republicans to overcome a filibuster.

In the end, Biden and the Democrats capitulated to the demands of 11 Republican “colleagues” who joined a group of 10 Democrats in negotiating and ushering the bill through the Senate. The bill that was passed on Tuesday is less than half the size of Biden’s original \$2.3 trillion proposal. It omits \$400 billion for in-home care for the elderly and disabled and \$213 billion for affordable housing. It slashes a proposed \$45 billion to replace lead pipes in water systems to a mere \$15 billion. Total new spending, beyond monies previously allocated, is only \$550 billion spread out over 10 years.

In line with Republican demands, no revenue to fund the infrastructure spending is to come from tax increases on corporations and the rich or more strict enforcement of existing tax laws.

All of the social and economic measures promised by Biden, including tax increases on corporations and the wealthy, have been channeled into the budget resolution and the budget reconciliation legislation that it is intended to give rise to. The resolution itself is merely an outline of proposed measures and their proposed spending levels, to be concretized in specific bills worked out by dozens of Senate and House committees over the next month. Schumer has called on Senate Democrats, who chair the various committees, to complete their pieces of the ultimate budget bill by September 15, after the end of the Senate’s August recess and within days of the House’s return from its recess.

Under the budget reconciliation process, each step in the process can proceed in the Senate with a simple majority vote, since the filibuster does not apply. It is expected that no Republicans will support the budget bill in the Senate and few, if any, will do so in the House.

The Democrats and aligned media outlets, such as the *New York Times*, are hailing the \$3.5 trillion budget bill as a massive piece of social reform legislation and huge boon to working people. In a statement introducing the resolution, Sanders said that once adopted, it would “allow the Senate to move forward on a reconciliation bill that will be the most consequential piece of legislation for working people, the elderly, the children, the sick and the poor since FDR and the New Deal of the 1930s.”

This is a fraud. The limited measures outlined in the budget resolution, even assuming that they survive the closed-door corporate lobbying and political horse-trading that will take place over the coming weeks, barely scratch the surface of the disastrous social crisis in America and the toxic levels of social inequality, which have been exacerbated by the government response to the pandemic and the profit mania of the pandemic profiteers.

Some figures will suffice to illustrate this point. \$3.5 trillion over 10 years averages out to \$350 billion a year. This is less than the \$400 billion the 15 richest Americans added to their collective wealth in the first year of the COVID-19 pandemic. Over that period, the richest 1 percent in the US added, according to some studies, \$7 trillion to their wealth. \$350 billion equals a mere 5 percent of the \$7 trillion pandemic bonanza for the super-rich.

The March 2020 bipartisan CARES Act provided some \$3 trillion in corporate bailouts and an additional \$3 trillion in virtually free loans to banks and big investors, compliments of the US Treasury and the Federal Reserve. The Fed is continuing to spend \$120 billion *every month* to buy up corporate bonds and other financial assets and pump virtually unlimited cash into the financial markets, fueling the record rise in stock prices.

The Fed’s “quantitative easing” itself comes to \$1.44 trillion a year. In other words, the government is spending four times more to enrich the oligarchy than it proposes to spend to address a historic public health and social catastrophe affecting hundreds of millions of working people.

The social and climate measures outlined in the budget resolution are supposedly to be paid for largely by increases in the corporate income tax rate and individual income tax rate for the top bracket, but no specifics are indicated.

The budget resolution includes spending for education, such as universal pre-kindergarten, tuition-free community college and expanded Pell grants.

On health care, it calls for an expansion of Medicare to cover dental, hearing and vision and the lowering of the eligibility age to 60. It also proposed subsidized in-home care for the elderly, and measures to close the Medicaid coverage gap in states that

have refused to expand Medicaid eligibility. It also includes an extension of increased Affordable Care Act subsidies.

It proposes to extend household tax credits, including the enhanced child tax credit implemented in last March’s “American Rescue Bill.” It also calls for expanded paid family and medical leave.

On climate change, it proposes tax incentives and grants to encourage “green” energy, manufacturing and transportation. It would impose polluter fees on methane and carbon and funding to increase the number of electric vehicles in the federal fleet and increase the number of electric charging stations.

It also calls for green cards for an unspecified number of undocumented immigrants, while allocating more money to “secure” the border against so-called “illegals,” that is, to further militarize the border.

All of the above, however, amount to little more than a wish list—or a deliberate deception—much, if not all, of which is unlikely to see the light of day.

The Senate parliamentarian, who rules on what can be included in a bill under the budget reconciliation procedure, is likely to strike down immigration reforms and other measures.

To secure passage in the Senate, the Democrats must get the votes of all 50 Democratic senators, and Arizona’s Sinema has already declared that she will not support a bill with a price tag of \$3.5 trillion. In the House, the Democrats can afford to lose only three of their caucus members, and already six “moderates” have written to Pelosi demanding to see a detailed outline before voting in favor of the budget resolution. They are also opposing Pelosi’s stance of holding off any consideration by the House of the narrower Senate infrastructure bill until the Senate has also passed the budget reconciliation bill.



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