

Biden accepts shredding of his social welfare/climate bill

Barry Grey
20 October 2021

The social welfare legislation touted by Bernie Sanders, House “progressives” and their pseudo-left supporters as proof that major reforms could be enacted through the Democratic Party has turned into an object lesson on precisely the opposite.

On Tuesday, President Joe Biden held a series of closed-door meetings with congressional Democrats in which he announced that the price tag for his “Build Back Better” budget bill would be cut from \$3.5 trillion over 10 years to between \$1.75 trillion and \$1.9 trillion. Even this drastically reduced figure depends on the sufferance of the most right-wing, unabashed lackeys of big business in the Democratic Party, particularly Senators Joe Manchin of West Virginia and Kyrsten Sinema of Arizona.

Weeks ago, Manchin declared that he would support only \$1.5 trillion over 10 years and has since reiterated his opposition to any climate control measures at odds with the profit interests of the fossil fuel industry, as well as demands that any social welfare programs be means tested and include work requirements.

Manchin, a multi-millionaire coal company owner and recipient of millions in energy industry campaign donations, has been joined by Sinema, a former Green Party activist now lavishly funded by the finance industry. She has told lobbyists she opposes any increases in taxes on corporations or the wealthy and opposes the original bill’s provision for Medicare to negotiate reductions in drug prices with the pharmaceutical corporations.

Big Pharma has mobilized 1,500 lobbyists and spent hundreds of millions of dollars to prevent Medicare from having the ability to negotiate drug prices.

According to the most recent Federal Election Commission reports in the third quarter, Manchin and Sinema together raised more than \$400,000 from

lobbyists and others in the influence industry as well as corporate and trade group political action committees. This is despite the fact that neither is running for reelection in 2022.

In all, Manchin raised nearly \$1.6 million from July 1 to September 30, almost as much as he raised in the third quarter of 2018, when he was locked in a tight Senate race. This does not count the more than \$200,000 raised by Manchin’s leadership PAC in July and August.

Sinema raised \$1.1 million, including more than \$125,000 from corporate and trade group PACs, lobbyists and others in the influence industry.

The gutted bill that Biden outlined on Tuesday, which Sanders and company are seeking to sell as “the most consequential piece of legislation for working people” since the New Deal, is far more Manchin’s legislation than Biden’s.

The justification given by Biden, Sanders, Nancy Pelosi, Chuck Schumer and their fake left allies in the Democratic Socialists of America and similar organizations for taking orders from Manchin and Sinema is the need to secure all 50 Democratic votes in the Senate to pass the budget bill in the evenly divided chamber, with Vice President Kamala Harris casting the tie-breaking vote. The fact is, however, these politicians, and their right-wing counterparts in the House Democratic caucus, call the shots because they most directly express the ruthless policies of the corporate-financial elite.

The real authors of the Democrats’ social agenda, assuming the entire plan does not collapse in the coming days and weeks, are the corporate oligarchs who control both parties of American capitalism. They have no intention of ceding voluntarily to the demands of working people for decent wages, working

conditions and living standards in the midst of a pandemic that has already killed, officially, nearly 750,000 people in the US. Nor are they prepared to accept any significant expansion of social programs.

Biden's \$3.5 trillion plan—itsself a collection of half-measures, many involving new cash handouts and tax breaks for big business—would have barely scratched the surface of the social crisis devastating the population, and in no way challenge the colossal levels of social inequality and entrenched wealth of the ruling oligarchy. Indeed, as Biden has repeatedly said in his speeches pitching his plan as a “blue collar” agenda: “I’m a capitalist. I have no problem with people making millions and billions of dollars.”

According to press reports, Biden's scaled back plan includes:

- Two free years of community college—eliminated
- Paid family leave to be cut from 12 weeks to as low as 4 weeks
- The child tax credit to be extended by only one year
- Inclusion of dental care under Medicare to be scaled back to an \$800 voucher or eliminated; vision and hearing yet to be determined
- Medicare negotiations with Big Pharma to cut prescription drug prices doubtful
- Funding for elderly home care and public housing to be drastically slashed
- Expanded benefits under the Affordable Care Act to be extended for only three years
- Incentives and penalties to push utilities to switch from fossil fuel to clean energy—scrapped, along with proposals to replace the program with a carbon tax
- Modest increases in personal income tax rates for the wealthy, corporate tax rates and the capital gains tax—doubtful

- A program to monitor the bank accounts of the wealthy to spot tax evasion—drastically scaled back

One program that reportedly remains intact is universal preschool for three- and four-year-olds. That is transparently because the ruling class and both parties are determined to force more working class women into the workforce.

A program to address the urgent climate crisis—tragically demonstrated in devastating wildfires and floods fueled by global warming and the degradation of basic infrastructure—the poverty wages and sweatshop conditions facing workers, the gutting of

public education, the decayed health care system, the lack of affordable and decent housing—merits, according to Biden and the Democrats, less than \$2 trillion over 10 years.

This is less than \$200 billion a year, while Biden and the Democrats support a military budget of \$760 billion a year. The Federal Reserve spends \$120 billion *every month* to prop up the stock market.

To add insult to injury, the Democrats' gutting of their own bill in line with the demands of Wall Street coincides with a new report showing that US billionaires increased their collective wealth during the first 19 months of the pandemic by \$2.1 trillion (an increase of 70 percent) —that is, more than the entire price tag over 10 years for Biden's supposed new “New Deal.”

Amazon founder and executive chairman Jeff Bezos—who, along with Elon Musk, Michael Bloomberg and George Soros, paid zero in federal income taxes in recent years—went from \$113 billion in net worth to \$192 billion. Bezos's newspaper, the *Washington Post*, published an editorial Wednesday demanding that Democratic “progressives” give up their “dreams,” which “were never realistic” and “are now evaporating.” Instead, Bezos's organ called for programs “on which people and businesses can rely,” i.e., programs approved by big business.

The task now falls to Sanders and his “progressive” allies to sell this miserable bill to the public. On Tuesday, Representative Pramila Jayapal, chair of the House Progressive Caucus, told reporters, “I think we all still feel even more optimistic about getting to an agreement on a really transformational bill that will fundamentally lift people up.”

Sanders tweeted on Wednesday that the Build Back Better Agenda bill can “show working people that DEMOCRACY WORKS! A democracy which delivers for its people, the worst nightmare of the ruling class.”



To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact