

Senate passes Trump's class-war bill to cut taxes for the rich and wreck Medicaid

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The US Senate on Tuesday passed Donald Trump's class-war budget bill, sending it to the House for reconciliation and final passage later this week.

The bill is one of the largest transfers of wealth from workers and the poor to the oligarchy in US history. It calls for \$930 billion in cuts to the Medicaid program, which, according to the Congressional Budget Office, will deprive 11.8 million low-income and disabled workers of medical care.

It also includes \$285 billion in food stamp cuts, a 20 percent reduction in a program on which 40 million Americans rely to feed themselves and their families. Nearly 11 million people, including 4 million children, could lose food assistance.

In addition, it rolls back clean energy tax incentives and cuts student loan debt relief by \$320 billion.

These savage cuts will help offset the cost of permanently extending the \$3.8 trillion in tax cuts, overwhelmingly for the top 1 percent, passed during Trump's first term. It is estimated that the top 0.1 percent will see an average income increase of 3.9 percent (\$389,000) per year, while the poorest 20 percent face a 6.8 percent income reduction.

The bill additionally allocates \$350 billion for border and national "security"—that is, for the immigration Gestapo and the instruments of imperialist war around the globe. This includes \$46 billion to complete Trump's border wall and \$45 billion to expand migrant detention facilities. It also provides for the hiring of 10,000 new Immigration and Customs Enforcement (ICE) agents and 3,000 new Border Patrol officers.

The legislation further increases US military spending for 2025—already at a record \$1 trillion—by an additional \$150 billion, as American imperialism prepares for war against China.

The bill marks a new stage in a process that has

unfolded over the past half century. Medicaid, passed in 1965, was a cornerstone of Lyndon Johnson's Great Society and "War on Poverty" programs and the last significant social reform enacted in the United States.

Over the past 60 years, the ruling class has waged an unrelenting social counterrvolution. Both the Democrats and Republicans have overseen the slashing of social programs to pay for repeated bailouts of Wall Street and the corporate ruling elite. The gutting of Medicaid marks a turning point.

These policies will generate enormous popular opposition. Even a poll published by Fox News showed that Americans oppose the budget bill by 59 percent to 38 percent. It will further fuel growing anger among workers and young people, already expressed in the 11 million who protested on "No Kings" day last month and the upset victory of Zohran Mamdani, who calls himself a "democratic socialist," in the New York Democratic mayoral primary election.

The passage of Trump's class-war bill makes the most powerful case for social revolution and the expropriation of the oligarchy. It is a naked expression of class rule: a sweeping assault dictated by and for the billionaires who dominate American society. The legislation represents the policy of the corporate-financial elite embodied in the fascistic Trump administration and demonstrates with brutal clarity that the capitalist state—including both big business parties—exists solely to defend and expand the wealth and power of this parasitic class.

The bill will also intensify the economic crisis of US and world capitalism, adding \$3.3 trillion to the US national debt, already at more than \$36 trillion, and raising the debt limit by \$5 trillion. This crisis, which is undermining the position of the dollar as the world's reserve currency, will drive the ruling class to intensify

its assault on the social conditions of the working class, moving it to shred all that remains of the social safety net, including Medicare and Social Security.

These policies can be imposed only through the destruction of democratic rights and the imposition of dictatorship. Significantly, at the very moment the Senate passed Trump's bill, with Vice President JD Vance casting the deciding vote to break a 50-50 tie, the president was in Florida touting the opening of a new concentration camp for immigrants, dubbed "Alligator Alcatraz."

Neither the Democratic Party nor the trade union apparatus has taken any serious measures to oppose the budget assault on the working class. Neither has called a single protest, let alone advocated strike action. Both are petrified of any move that might encourage popular protest, for fear of a social movement that could threaten the capitalist system.

The Democrats engaged in a series of cynical maneuvers to posture as opponents of the bill, including forcing a reading of the entire nearly 1,000-page document on the Senate floor and a 26-hour "vote-arama" in which they read out amendments they knew would never pass. In reality, the Democrats support brutal cuts in social programs to pay for ever-widening military aggression and help offset US capitalism's debt and dollar crisis.

The working class is confronting an oligarchy that is absolutely ruthless in the pursuit of its interests—a ruling elite that will stop at nothing to preserve its wealth and power. The notion that the interests of workers can be secured through minimal reforms proposed by figures like Mamdani and the Democratic Socialists of America, by pushing the Democratic Party to the left, is a dangerous fiction.

The Socialist Equality Party (SEP) is fighting to arm the growing resistance of workers and youth with a socialist program and revolutionary leadership. The path forward lies in building a mass movement, independent of both capitalist parties, to expropriate the corporations and banks, placing them under the democratic control of the working class and transforming them into public utilities that serve human need, not private profit.

To organize and lead this fight, the SEP calls on workers to build rank-and-file committees in every workplace and neighborhood—independent of the union

bureaucracy and the Democratic Party. These committees must be the foundation for a general strike to bring down the Trump administration and fight for a workers government, based on social equality, genuine democracy and internationalism. The working class must seize political power, expropriate the financial oligarchy, and reconstruct society on the basis of human need, not private profit.



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