

Congress deepens social counterrevolution with assault on D.C. home rule and budget

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15 February 2026

On Thursday, February 12, Congress voted to force the District of Columbia to conform to President Donald Trump's "One Big Beautiful Bill" tax program through a joint resolution (House Resolution Joint Resolution 142), blowing a \$600 million hole in the city's finances over the next several years and triggering a new wave of austerity against the working class.

The override also landed not long after the city's Democratic Mayor Muriel Bowser unveiled an austerity package aimed at closing a projected \$1.1 billion deficit through cuts to housing, social services and public employment. The two developments signify a bipartisan assault on the living standards of the District's working class.

The House's move compels the D.C. government to abandon its decision to "decouple" from key provisions of Trump's federal tax cuts and instead replicate them locally, thereby suppressing both tax intake and social spending. According to the District's chief financial officer and independent policy analysts, the override will cost the city at least \$600 million in revenue through 2029—money that had been earmarked for basic social needs, including an expanded local child tax credit and improvements to the earned income tax credit.

The move constitutes the deliberate use of federal power to deepen poverty in a city already scarred by extreme inequality. The D.C. Fiscal Policy Institute noted that the council's decoupling plan would have allowed the city to "dedicate hundreds of millions in local revenue to reducing child poverty," including through a new child tax credit of up to \$1,000 per child. Congress has now moved to extinguish even these limited means-tested measures.

The timing of the attack is calculated to be destructive. It comes in the middle of tax season, after D.C. officials had already prepared forms and guidance based on the decoupled code. The city's non-voting House delegate,

Democrat Eleanor Holmes Norton, warned that Congress's action will "sow chaos in the middle of tax filing season," as residents are confronted with conflicting rules and the city's revenue projections are thrown into disarray.

According to Apartments.com, the average monthly rent for a two-bedroom apartment in Washington is \$2,235. The average net salary needed to live in D.C., assuming rent as 40 percent of a family's budget, is \$67,050; if rent is 30 percent, \$89,400. For a two-bedroom apartment with an average rent of \$3,067 per month, the figures jump to \$92,010 at 40 percent and \$122,680 at 30 percent.

Trump's assault on federal jobs through the gutting of agencies is one of the planks of his plan to establish a personalist dictatorship benefiting himself and his billionaire backers. The layoffs have ravaged tens of thousands of families, with the planned cuts from Bowser and Congress bringing more despair and desperation.

The congressional intervention is also a direct violation of the already limited "home rule" granted to D.C. by Congress in 1973. Under that framework, the District's laws are subject to a fixed congressional review period. In the case of the 2023 crime bill, Congress and President Joe Biden struck down the District's modest criminal code reform, despite the fact that Congress acted outside the legally prescribed review window, with Democrats invoking "public safety" to justify trampling on D.C. self-government.

The latest tax intervention extends this precedent. Whenever the local government attempts even the most modest deviation from the policy dictates of the federal government, whether on criminal penalties or on tax policy, Congress simply steps in and overrides its decisions. The latest intervention involves both big-business parties collaborating in an even more direct assault on social conditions through a federal decree that the city's budget must be reorganized according to

Trump's tax boondoggle for corporations and the wealthy.

This occurs under conditions in which the District is about to conduct a mayoral election. Bowser announced late last year that she will not seek another term. She was deeply discredited by years of collaboration with first the Biden administration and now a fascistic Trump White House.

The leading contender to replace Bowser is Ward 4 councilmember Janeese Lewis George, a member of the Democratic Socialists of America (DSA), who has based her campaign on progressive rhetoric about making D.C. "affordable for all."

George has previously pledged to implement universal child care, expand affordable housing, and protect social services from cuts. She touts her role in passing measures for childcare workers, supporting eviction moratoria during the pandemic and backing measures to fund housing for the homeless.

On paper, such promises stand in direct contradiction to a budget regime dominated by Trump's One Big Beautiful Bill and enforced by congressional decree. In practice, however, the budget crisis exposes the fundamental limits—and class character—of George's politics.

With a gaping and rapidly widening hole in the city's finances, any mayor who accepts the framework of capitalism and federal authority will be compelled to implement austerity, regardless of their campaign slogans. The experience of DSA-backed figures in other cities, such as Zohran Mamdani in New York, is highly instructive: once in office, their "democratic socialist" platforms are steadily walked back and adapted to the demands of big business, the real estate industry and the state apparatus.

George's response to the tax override has consisted above all of hand-wringing and appeals for Congress to "respect D.C.'s democracy," coupled with vague suggestions that the city can still raise revenue by taxing the wealthy. But even on this terrain, her record shows that she is perfectly prepared to align with major capitalist interests. She backed the framework for a new stadium project, offering substantial tax incentives to developers and team owners in the name of "economic development."

The only "progressive" gloss George added, as a condition of voting last September in favor of spending \$1 billion to build a new stadium on the site of the former RFK Stadium in Southeast D.C., was to insist on language

guaranteeing "union jobs" in the stadium's construction and operation. This is a typical DSA formula that combines corporate giveaways with limited concessions to the trade union bureaucracy.

This fig leaf has paid dividends in the form of endorsements from a swath of local unions, including Amalgamated Transit Union (ATU) Local 689, SEIU 32BJ, UFCW Local 400 and UNITE HERE locals, which together represent more than 50,000 workers in the region.

ATU 689's backing is particularly revealing. The union, which represents thousands of D.C.-area transit workers, has repeatedly collaborated with management and city authorities to block or contain struggles. Its leadership has pushed through concessionary agreements, including a memorandum of understanding presented to Washington Metropolitan Area Transit Authority (WMATA) workers while refusing to divulge the full details of the document. It presented a tentative agreement to Fairfax Connector workers before key terms were even finalized, effectively asking workers to sign a blank check for layoffs and restructuring as the transit system faces its own financial crisis.

These are the forces now rallying behind George, not because she threatens the existing order, but because she offers a means to preserve their privileged position within it while channeling working-class anger back into the Democratic Party.

The federal imposition of Trump's tax program on D.C. thus has a dual character. On the one hand, it is a brutal act of social counterrevolution, aimed at stripping hundreds of millions of dollars from local budgets and deepening poverty and inequality in the nation's capital. On the other, it exposes the bankruptcy of all factions of the Democratic Party and its satellite organizations, including the DSA. While Republicans openly boast of "protecting taxpayers" by enforcing the One Big Beautiful Bill, Democrats—from Biden, who helped overturn the D.C. crime reform, to George, who promises social reforms within an austerity framework—accept the basic premise that society must be organized around the profit requirements of the capitalist class.



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