

New US Congress to Launch Assault on Social Programs

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The 115th US Congress assembles in Washington today, with the ceremonial swearing in of new senators by outgoing Vice President Joe Biden, and the swearing in of the entire House of Representatives by House Speaker Paul Ryan. For the first time in a decade, the Republican Party will be in control of the House and Senate alongside a Republican president, Donald Trump, set to be inaugurated January 20.

The new government being formed in the US capital is like nothing that has ever been seen in Washington. It carries the reactionary policies of the Obama administration and previous Congresses, whether under Democratic or Republican control, to new political depths.

The incoming Congress, working with the Trump administration, is preparing an assault on whatever remains of social programs implemented under the New Deal and Great Society programs. The true content of Trump's call to "make America great again" is to roll back social conditions for the working class to those that existed at the end of the 19th century, the era of child labor, unlimited working hours and "robber barons."

Entire federal departments like Education, Labor, Housing and Urban Development, Health and Human Services and the Environmental Protection Agency have been turned over to right-wing ideologues committed to scrapping all restraints on business operations and ending all protections for workers, consumers and those who need social services.

Trump set the tone for the week at a New Year's Eve party at his luxury estate at Mar-a-Lago in Palm Beach, Florida, where he toasted his well-heeled guests with the promise that the new Trump administration would "lower your taxes, cut regulations and repeal Obamacare," to thunderous applause.

The taxes to be lowered will be those of the super-rich. The regulations to be abolished are those that restrict in any way the operations of big business and the financial swindling of Wall Street, at the expense of working people.

In calling for a repeal of Obamacare, Trump is demagogically appealing to broadly felt popular opposition to the program, which is seen as a boondoggle for health insurance companies, pharmaceutical conglomerates and giant hospital chains. But the actual content of his proposals will be to slash subsidies included in Obamacare as "sweeteners," while using revisions of the program to make substantial inroads into Medicare and Medicaid, the health insurance programs for the elderly, disabled and poor.

Despite Trump's promises during the election campaign to replace Obamacare's hated "individual mandate" and provisions that limit the choice of doctors and hospitals with

“something great,” there is not the slightest effort in that direction. On the contrary, the Republican-controlled Congress will make the repeal of Obamacare the starting point for a further onslaught on Medicaid, Medicare, the Children’s Health Insurance Program and other federal healthcare provisions.

According to press reports Monday, the congressional Republican leadership plans to make repeal of Obamacare the first legislative action of the new session of Congress, although the timing is still uncertain because of the complexities of the law, enacted in 2010.

Obedient to the financial interests involved, the House and Senate Republican leaders aim to repeal Obamacare in a way that does not damage the profits that these giant corporations have begun to reap from the program. This likely means that repeal of the individual mandate, which compels millions to buy private insurance or pay an increasingly stiff tax penalty, will be pushed back, lest it abruptly deprive the insurance companies of paying customers.

The planned repeal of Obamacare will proceed in several stages, beginning with passage of a budget resolution that will include so-called “reconciliation” rules that require only a 51-vote majority in the Senate, rather than the 60 votes required to overcome the expected Democratic filibuster.

Because the reconciliation process is limited to fiscal provisions that impact the budget, the actual dismantling of healthcare.gov and the federal exchange through which more than 10 million people have purchased insurance will require winning the support of at least eight Senate Democrats. The same procedure applies to rolling back the expansion of Medicaid, which extended the federal health insurance program for the poor to an additional 10 million lower-income working-class families.

Congressional Republicans have vowed to combine Obamacare repeal with far-reaching attacks on both Medicaid and Medicare. Vice President Mike Pence is a leading advocate of destroying Medicaid as an entitlement program—one for which people are automatically eligible based on their income—and transforming it into a block grant to the states. This would limit the program in each state to the amount of the block grant, regardless of the number of people who apply for aid, forcing states to set up increasingly restrictive systems to ration assistance.

As for Medicare, Obamacare was actually financed in part by cuts in the program’s reimbursements to hospital and other providers, estimated in the hundreds of billions of dollars. These funds, if recaptured through Obamacare repeal, will not be returned to Medicare, but will be made available instead for the real priorities of the Trump administration, increased military spending and a huge tax cut for the wealthy.

Trump’s appointment of Representative Tom Price to head the Department of Health and Human Services, which administers Medicare and Social Security, was a clear signal that he has discarded his campaign promise that there would be no cuts in either of these critical federal programs, which underwrite health care and retirement income for more than 70 million elderly and retired workers.

Price and House Speaker Paul Ryan have long advocated privatization of Medicare, transforming it into a voucher system modeled on the Medical Savings Accounts used by corporate employers to put a lid on healthcare spending by their employees.

The other major legislative initiative—and the one that has attracted the greatest attention from corporate lobbyists and Wall Street—is the gigantic tax-cutting package, likely to be the largest in history, exceeding even the windfalls for the wealthy enacted under Ronald Reagan and George W. Bush.

Trump has promised to slash the corporate tax rate from the present (largely nominal) rate of 25 percent to only 10 percent, as well as cutting higher-end individual tax rates and abolishing the estate tax, paid only by a tiny fraction of extremely wealthy families—those like Trump himself, and his cabinet of billionaires and multimillionaires.

A reactionary provision expected to be incorporated either into the Obamacare repeal or the budget and tax legislation is an outright ban on any federal funds going to Planned Parenthood, which provides health services, including cancer screening, contraception and abortion, to millions of working-class women. The organization has been targeted by the Christian fundamentalist right because it is one of the few providers of abortion services in many states, and because it aggressively defends women's rights to the full range of family planning services.

While the Trump administration and the congressional Republicans prepare an unprecedented onslaught against social programs for working people, the Democratic Party is engaged in cynical posturing to give itself a political cover for its inevitable capitulation to the demands of Wall Street and the financial oligarchy.

The incoming leader of the Senate Democrats, Charles Schumer, declared that the Democrats would fight “tooth and nail” against the overhaul of Medicare, carefully avoiding any such pledge in relation to Medicaid, the more immediate target.

Schumer, House Minority Leader Nancy Pelosi, and former presidential candidate Senator Bernie Sanders, sent a letter to congressional Democrats called for a “day of action” on January 15, “to vigorously oppose the Republican plan to end Medicare as we know it and throw our health care system into chaos.” Again, the calculated downplaying of the attack on Medicaid.

Sanders has played a particularly rotten and demagogic role, issuing a series of appeals to Trump to “keep your promise” made during the campaign, not to cut Medicare and Social Security.

Donna Brazile, the interim chairwoman of the Democratic National Committee, made her own appeal to Trump, saying that he had an “enormous” opportunity to obtain Democratic support, and urging him “to show that he’s eager to find common ground, to meet with Democrats.”

None of these Democratic leaders will state the obvious—that Trump cares nothing for his campaign promises, and is carrying out the program of the financial aristocracy, which seeks to plunder the resources of the federal Treasury to enrich themselves, while building up the police and the military to lay waste to enemies both foreign and domestic. That is because the Democrats serve that same financial aristocracy, and in many cases are charter members of it.

Genuine resistance to the program of Trump, the Republicans and Wall Street will come only from the working class, from the great majority of the American people, who were ignored,

betrayed or misled in the course of the 2016 election campaign, and now face an attack on their jobs, living standards, social benefits and democratic rights on a scale that has no parallel in history.

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