

The great unmentionable

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The past week has seen a number of worried commentaries from liberal supporters of Obama on the state of social and political relations in the United States.

Among the columnists who have written along similar lines are Frank Rich, Paul Krugman and Bob Herbert of the *New York Times*, and Katrina vanden Heuvel of the *Nation*.

All of these writers proceed from a fact of American life that is becoming impossible to deny: the sharp divergence in the fortunes of the banks and investors, on the one hand, and the broad mass of the population, on the other. The Wall Street giants, the very firms that precipitated the financial crisis, are doing better than ever. They are planning record bonuses while unemployment continues to soar and wages are declining at a rate not seen in decades.

The proliferation of these columns is itself an indication of the depth of social tensions and the level of popular disillusionment with the Obama administration. Sensing the anger that is building up, the authors write as advisers to the administration: How can this opposition be contained?

Herbert (“Safety Nets for the Rich,” October 20), adopts a populist tone, complaining, “Even as tens of millions of working Americans are struggling to hang onto their jobs and keep a roof over their families’ heads, the wise guys on Wall Street are licking their fat-cat chops over yet another round of obscene multibillion-dollar bonuses—this time thanks to the bailout billions that were sent their way by Uncle Sam, with very little in the way of strings attached.”

Rich (“Goldman Can You Spare a Dime,” October 18) refers to the projected 2009 bonuses of \$23 billion at Goldman Sachs as compared to the \$200 million the bank is allocating to its own education foundation. He likens this to the dimes handed out by Standard Oil’s John D. Rockefeller at the beginning of the 20th century.

Both Herbert and Rich urge that stronger measures be taken, with the former advocating the break-up of Goldman Sachs and the latter expressing hope for a revival of Teddy Roosevelt-style trust busting.

Underlying both columns is the concern that the Obama administration’s promises of “hope” and “change” are increasingly perceived by those who voted for Obama as hollow phrases. Rich complains that Treasury Secretary Timothy Geithner is “tone deaf” and that “an air of entitlement” wafts from the administration.

People are beginning to feel that they have been duped into lending their support to a government that is unreservedly serving the interests of the banks. To the layer of the liberal establishment represented by Obama’s journalistic would-be advisers, the eruption of opposition to the Obama administration would be an unmitigated disaster.

Vanden Heuvel (“Happy Days?” October 16) is perhaps the most explicit in stating this position. “There is a growing danger that the public face of the Obama administration’s response to this Great Recession is the Bank Bailout,” she writes. “There is a real threat to the possibility and promise of the Obama administration.”

Her advice to Obama is to adopt more of a left tone. “The administration needs to switch this frame.” Following “a multi-trillion-dollar giveaway to get Big Banks back on track for billion dollar bonuses,” she writes, “It’s time for the Obama administration to act with equal boldness on behalf of regular folks.”

The central aim of these figures is to prevent workers from drawing broader conclusions about the nature of the government and the two-party system. They are engaged in a deliberate cover-up. From the beginning, the administration has been, and could only be, a government of the financial and corporate elite. The administration’s actions are determined by the class interests it represents.

On Wednesday, the Obama administration revealed that it is planning on imposing cuts in executive pay at seven companies with substantial bailout funds. The plan has the air of preemptive damage-control in the advance of bonus announcements later this year—the sort of measure that will be hailed by Obama’s liberal supporters. The steps will do nothing to address the social crisis of the working class, and the small number of executives affected will still receive compensation hundreds times that of the average worker.

In their various criticisms and complaints, what all these writers refuse to discuss is the “great unmentionable” of American politics: socialism. Unwilling to address the objective basis for the social and economic crisis and broach the only real alternative, their commentaries remain utterly banal. In the end, they are reduced to making moral appeals to the banks and pleading with Obama.

Michael Moore’s recent film, *Capitalism: A Love Story*, is made of the same stuff. After presenting a portrait of the crisis confronting millions of working people, Moore ends his film by calling for the replacement of capitalism not with socialism, but “democracy.”

He holds up Franklin Roosevelt and New Deal reformism as the ideal of democracy from the past, and pseudo-populists like Democratic Congresswoman Marcy Kaptur, as well as Obama himself, as its incarnations in the present. (In a recent column, Moore pleads with those who are angered by Obama’s policies: “Don’t abandon the best hope we’ve had in our lifetime for change.”)

The avarice of the financial elite, the blatant inequity of record bank bonuses and declining wages, along with the participation of the Obama administration in this process, are invariably presented as misfortunes.

However, the contrast between depression conditions facing the majority of the population and windfalls for the wealthy is a contradiction only in appearance. They are two sides of the same process. It is through a sharp attack on living standards, jobs, wages and social programs that the financial elite is seeking to safeguard its wealth.

This, in turn, is inextricably linked to the private ownership of the corporations and banks and the subordination of the economy to profit and the interests of the wealthy—that is, to capitalism.

This proscription of socialism has a history. American liberalism long ago compromised itself by wholeheartedly embracing post-war anti-communism, which was the means through which it lined up behind the global ambitions of American imperialism. With the full support of the trade unions, socialists and militants were driven out of the labor movement.

The rejection of socialism was bound up with the rejection of class as the fundamental category of social analysis. Politics based on race, gender, sexual orientation and other identities was elevated in its stead, and became the principal foundation of the Democratic Party and the preoccupation of the broad milieu of “left” petty-bourgeois groups.

The absolute exclusion of a socialist and class analysis has helped lend American politics—and media commentary—its particularly impoverished character. And it has left the working class without a viable perspective to defend its interests.

The past year, however, has not passed in vain. Broad sections of the working class are drawing certain conclusions. The ideological edifice of capitalism has been discredited in the eyes of millions of workers, who are rapidly losing confidence in the market and all official political institutions.

The immense class anger over the social crisis and disillusionment with the Obama administration have not yet taken an open political form. They will, however, and as this happens, the great principles of the socialist movement will experience a powerful revival in the working class—in opposition to the Democratic Party and its liberal supporters.

It is on these principles that the Socialist Equality Party, and only the Socialist Equality Party, is based.

Joe Kishore

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