

# New York Times paints Obama as “champion” of working people

By Andre Damon  
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On Monday, the *New York Times* published a lead article, “As His Term Wanes, Obama Champions Workers’ Rights,” that seeks to fraudulently present the Obama administration as a defender of the working class against corporate and financial interests.

The story, quoting various Democratic Party-aligned think tanks and trade union officials, is nothing more than a puff piece for the Obama administration, aimed at presenting the Democrats as the defenders of working people in the upcoming elections.

The *Times* declared, “With little fanfare, the Obama administration has been pursuing an aggressive campaign to restore protections for workers that have been eroded by business activism, conservative governance and the evolution of the economy in recent decades.” It adds that the White House is hard at work “explicitly undoing what they considered to be efforts of Republican administrations to put workers at a disadvantage.”

The article concludes, “Mr. Obama has long seen himself as working to empower the economically marginal, as steadfast in his commitment to labor protections as President Reagan was in rolling them back.”

One wonders what world the *Times* is living in! In reality, any serious appraisal of Obama’s record shows that his presidency is perhaps the most beholden to corporate and financial interests, and hostile to the working class, than any before it.

Even before coming into office, Obama campaigned in support of the 2008 bank bailout that transferred billions of dollars into the coffers of US financial institutions. Upon assuming the presidency, Obama rushed to continue and expand the Bush administration’s bank bailout, ultimately funneling a total of \$9 trillion into the global financial system. Throughout the entire Obama tenure, the US Federal Reserve has kept interest rates at zero percent, helping the US stock market to triple.

Obama really showed Wall Street he was serious when he oversaw the restructuring of General Motors and Chrysler in 2009. As a precondition for receiving government funds, Obama’s auto task force demanded the expansion of the number of so-called second-tier auto workers, along with other attacks on workers’ wages and benefits.

Obama’s next order of business was the Affordable Care Act. Billed as a major social reform by the *Times* and other White House apologists, Obama’s health care overhaul mandates that individuals purchase insurance from private companies or face hundreds or thousands of dollars in fines. It has strengthened the domination of the insurance companies over health care and lays out the framework for continuous and ongoing attacks on workers’ health care benefits.

Obamacare has set the stage for corporations to offload their group health care coverage for employees onto the health care exchanges. One of its most egregious elements is the “Cadillac Tax,” which penalizes corporations for providing high-quality health care to employees and is already producing the justification for companies to gut health care benefits for higher-paid workers.

At the same time, the Obama administration made clear that there would be no “bailouts” for local governments facing fiscal crises in the aftermath of the 2008 recession, leading states and cities to carry out draconian cuts to health care, education and social spending. To cite only one example, spending by states on higher education has fallen by more than 20 percent since 2008.

This policy culminated in the bankruptcy of Detroit, completed in 2014, which led to the cutting of health care benefits for city employees. It slashed retirement benefits for retirees who had worked their entire lives to earn them, even though the Michigan constitution explicitly protected pensions from being abridged. The bankruptcy,

the legality of which was explicitly defended by Obama's Justice Department, restructured the entire city in the interests of the financial elite, turning over public assets to billionaire speculators and cutting social services for residents in America's poorest large city.

The Obama administration has also targeted the bedrock federal pension and health care programs. In its "grand bargain" proposal in 2011, the White House called for billions of dollars in cuts to Medicare, Medicaid and Social Security. While this deal ultimately fell through, the White House proceeded to implement the so-called sequester budget cuts, which slashed hundreds of billions of dollars from vital social services, and the administration has separately chipped away at both Medicare and Medicaid.

As a result of these policies, social inequality in the United States has grown at an unprecedented pace during the Obama administration. The share of wealth held by the richest 0.1 percent of the population grew from 17 percent in 2007 to 22 percent in 2012, while the wealth of the 400 richest families in the US has doubled.

Meanwhile the incomes of working people have plunged. According to the latest Federal Reserve survey of consumer finances, between 2007 and 2013 the income of a typical US household fell 12 percent, with the median US household now earning \$6,400 less per year than it did in 2007.

Corporate profits as a share of GDP are at record levels, while the share of income going to labor continues to plummet.

The *Times* piece simply ignores all of these facts. Instead it bases its claim that the Obama administration is waging a determined struggle to defend the social interests of workers on a series of largely marginal administrative measures supported by the administration in recent months.

The most prominent of these is the White House's call to expand the share of US salaried workers eligible to receive overtime pay. Despite being touted as a significant reform by the White House, the proposal--which would not be implemented until sometime next year, if at all-- would affect only 3.5 percent of the US workforce.

Obama's proposal would add about \$1.3 billion to workers' wages annually, according to the Labor Department. To put this figure in context, Amazon CEO Jeffrey Bezos made over four times that amount, or \$7 billion, in under an hour last month after his company posted higher-than-expected profits.

The remaining two policies cited by the *Times* are equally trivial. It noted that an appeals court reinstated minimum wage and other labor protections for about two million home health care workers, and it cited another ruling by the National Labor Relations Board making it easier for employees of franchise corporations to negotiate with parent companies. Both proposals had been pushed heavily by trade unions, including the Service Employees International Union and the AFL-CIO, which are seeking to extract dues from low-paid fast food and home health care workers.

Each of the cosmetic measures cited by the *Times* are aimed at mobilizing the Democratic Party's trade union apparatus to promote the fraudulent claim that the Democrats represent the interests of workers in the upcoming elections.

The *Times* noted that Obama "famously suggested that, if elected, he would aim to be a Democratic version of Ronald Reagan. 'Reagan changed the trajectory of America in a way that Richard Nixon did not and in a way that Bill Clinton did not,' he told a newspaper editorial board in Nevada [in 2008]. 'He put us on a fundamentally different path because the country was ready for it.'"

The *Times* cites Obama's fawning comment on Reagan to suggest that the president has sought to reverse the trajectory of the earlier administration. The truth is the opposite: Obama has dedicated his presidency to extending and deepening the massive attack on the working class escalated by the Reagan administration and continued by every subsequent presidency, Republican and Democratic alike.

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