

Trump calls for \$1.7 trillion in social cuts

23 May 2017

The Trump administration will unveil a fiscal year 2018 budget today that includes \$1.7 trillion in cuts to major social programs. The plan marks a new stage in a bipartisan social counterrevolution aimed at eviscerating what remains of programs to fight poverty and hunger and provide health care for millions of workers.

The unveiling of the budget underscores the reactionary character of the Democrats' response to a gangster government headed by a fascistic-minded billionaire and composed of Wall Street bankers, far-right ideologues and generals. The Democratic Party has chosen to base its opposition to Trump not on his assault on working and poor people, his attacks on democratic rights, or his reckless militarism, but on his supposed "softness" toward Russia.

In the political warfare in Washington, the Democrats are aligned with those sections of the intelligence apparatus and the "deep state" that are determined to compel Trump to abandon any notion of easing relations, and instead continue the Obama administration's policy of escalating confrontation with Russia. As the Democrats and the so-called "liberal" media pursue their anti-Russia campaign, the Trump administration continues to advance its brutal domestic agenda.

Trump's budget is the opening shot in a stage-managed tussle between the two big business parties over social cuts that will end with the most massive attack on core social programs in US history.

The budget includes a cut of \$800 billion over a decade in Medicaid, the health insurance program for low-income people jointly administered by the federal government and the states. More than 74 million Americans, or one in five, are currently enrolled in Medicaid, including pregnant women, children and seniors with disabilities.

Like the American Health Care Act (AHCA) passed earlier this month by the Republican-controlled House

of Representatives, Trump's budget plan would put an end to Medicaid as a guaranteed benefit based on need, replacing it with per capita funding or block grants to the states.

The AHCA would also end the expansion of Medicaid benefits under Obamacare and allow states to impose work requirements for beneficiaries. The Congressional Budget Office estimated that an earlier version of the Republican plan would result in 10 million people being stripped of Medicaid benefits.

Trump's budget would also cut \$193 billion over a decade from the Supplemental Nutrition Assistance Program (SNAP), commonly known as food stamps, a 25 percent reduction to be achieved in part by limiting eligibility and imposing work requirements.

Welfare benefits, known as Temporary Assistance for Needy Families, would be cut by \$21 billion. Spending on the Earned Income Tax Credit and Child Tax Credit, which benefit mainly low- and middle-income families, would be reduced by \$40 billion.

The budget reportedly includes changes in funding for Social Security's Supplemental Security Income program, which provides cash benefits to the poor and disabled.

While gutting social programs, Trump proposes to sharply reduce taxes for the wealthy. In addition to slashing income tax rates for the rich, he is proposing to dramatically cut estate, capital gains and business tax rates. At the same time, he is demanding a huge increase in military spending.

While Democrats will make rhetorical criticisms of the Trump budget, the fact is that the administration is escalating a decades-long assault on the working class overseen by both big business parties.

The outcome can be seen in the reality of social life in America:

Poverty

More than 13 percent—some 43.1 million

Americans—were living in poverty in 2015. Of these, 19.4 million were living in extreme poverty, which means their family’s cash income was less than half of the poverty line, or about \$10,000 a year for a family of four. The poverty rate for children under 18 was 19.7 percent.

These are the *official* poverty rates, based on absurdly low income baselines. In reality, at least half of the population is living in or on the edge of poverty. These are precisely the people targeted by Trump’s proposed cuts to Medicaid, welfare and food stamps.

Hunger

Almost one in eight US households, 15.8 million, were food insecure in 2015, meaning they had difficulty providing enough food for all their members. Five percent of households had very low food security, meaning the food intake of household members was cut. Three million households were unable to provide adequate, nutritious food for their children.

Lack of health care

In 2016 under Obamacare, 28.6 million people of all ages, or about 9 percent of the US population, remained uninsured. Many of those insured under plans purchased from private insurers on the Obamacare exchanges were unable to use their insurance because of prohibitively high deductibles and co-pays. Many who gained insurance under Obamacare did so as a result of the expansion of Medicaid. Trump plans to reverse this, throwing millions of people back into the ranks of the uninsured.

A bipartisan assault

In the wake of Trump’s budget proposal, the Democrats have responded with their standard empty rhetoric. Senate Minority Leader Charles Schumer—one of Congress’ biggest recipients of Wall Street campaign money—decried Trump’s “hard-right policies that benefit the ultra-wealthy at the expense of the middle-class.” Just three weeks ago, Schumer and House Minority Leader Nancy Pelosi were hailing the passage of a bipartisan fiscal 2017 budget that cut food stamps by \$2.4 billion, slashed funding for education and the environment, and added billions more for the military and border control.

Obamacare paved the way for the present assault on

Medicaid and the coming attacks on Medicare and Social Security by further subordinating health care to the profit demands of the insurance and pharmaceutical industries and imposing higher costs for reduced benefits on millions of workers.

Nothing less than a mass movement of the working class will prevent the destruction of Medicaid, Medicare, Social Security, food stamps, public education and every other social gain won by the working class. But this movement must be completely independent of the Democratic Party, the historic graveyard of social protest in America. That includes left-talking demagogues like Bernie Sanders and Elizabeth Warren.

It is not a matter of appealing to or seeking to pressure the Democrats or any other section of the political establishment. They are all in the pocket of Wall Street.

The working class needs its own program to secure its basic social rights—a decent-paying job, education, health care, a secure retirement. These rights are not compatible with a capitalist system that is lurching inexorably toward world war and dictatorship.

Workers and youth must intervene in this crisis with a socialist and revolutionary program geared to the needs of the vast majority, not the interests of an obscenely rich and corrupt financial oligarchy.

Kate Randall

To contact the WSWS and the
Socialist Equality Party visit:

<http://www.wsws.org>