

# The Obama Presidency False Hopes and Little Change



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## **The Election of Barack Obama 2008**

Barack Obama, more than any presidential candidate in decades, represented himself as a hope for something different. Obama made his slogans “Hope” and “Change”. These vague slogans were designed so that people could see what they wanted in his candidacy.

In contrast to the Republicans, Obama seemed intelligent and humane. He expressed a concern with the real conditions of people’s lives. The impression Obama made was the exact opposite of the one George W. Bush’s arrogant, uncaring and aggressive attitude had left us with.

The symbolism of the election of the first African American president was enormous. His election was seen as a symbol of the accomplishment of African Americans' hopes and struggles for a racially just society.

The Obama campaign received a major boost in August of 2008, when there was a massive stock market crash. Investors sold off their assets and bought currency, cashing in before their bad investments evaporated. This event caused a major disruption in the economy, and put the economic crisis at the center of both parties' election campaigns. Obama won a good deal of support by blaming the Republicans and George W. Bush for this crisis.

In the campaign of 2008, Obama promised to put an end to the economic decline that was ruining people's lives. He promised health care reform for those who lack insurance or were struggling to pay for it. He said that he would end the wars and occupations begun under the Bush administration. He promised to reform immigration policy. He promised to defend the rights of women and extend legal rights for gay people. He promised to restore the civil liberties that had been under attack since 2001. He promised to be a part of "the generation that finally frees America from the tyranny of oil". He promised to work to improve the education system. During the election of 2008, Obama had a promise to and for everyone.

## **The Democrats in Control**

In November 2008, Obama was elected with 52.9% of the popular vote. Other Democrats were swept into office with hope for a real change. They maintained control of the House of Representatives with a 79 seat majority. And in the Senate, the Democrats won eight more seats, giving the Democratic Party a 16 seat majority. With control of the presidency and Congress, the Democrats had the chance to make good on every one of their promises. But once in office, the Democrats once again revealed their true colors.

## **The Financial Crisis – A Symptom of the Crisis of Capitalism**

The 2008 crisis in the stock market was a symptom of a more general crisis in the world economy. Capitalism requires corporations and investors to constantly re-invest their profits in new markets to generate even greater profits. If they are unable to find new markets to invest in, then the whole system begins to unravel.

Capitalism's need for expanding markets had hit a limit in the 1970's. American industry had been dominant for 25 years since the end of World War II. Advances in technology and the increasing productivity of the workers allowed corporations to make extremely high profits. Industrial workers were organized and able to win higher wages and benefits while corporations maintained their profits. But American capitalism faced new competitors in the 1970's. New, more efficient industrial infrastructure in countries such as Germany and Japan provided sharp competition for American companies on the international market.

In response, American companies did the one thing that guarantees an increase in profits – they attacked the workers in order to cut the overall cost of labor. They decreased wages and increased working hours and the intensity of work. And where possible, they closed factories and other workplaces and transferred the work to other countries. As wages fell in the United States, consumption was kept afloat by the extension of credit. From credit cards to bank loans, personal debt became a fact of life for the average American and the corporations maintained their profits.

Buying on credit assumes that the borrowers will be able to pay back the loans eventually. But if enough people can't pay back their loans, the whole system starts to unravel. Businesses start to shut down, people are laid off and once more, the system goes into crisis.

## **The Sub-Prime Mortgage Scandal**

The crash of the stock markets in 2008 was linked to this overall crisis of capitalism. In 2008, it was revealed that the major banks and corporations had engineered a massively complicated scam, now known as the sub-prime mortgage scandal.

Beginning in the 1990's, the banks and corporations had pushed for a deregulation of financial markets. This culminated in 1999 with legislation signed into law by Bill Clinton to repeal the Glass-Steagall Act. The Glass-Steagall Act, passed in the 1930's, prohibited commercial banks from selling and trading in the loans and assets of their customers.

The repeal of Glass-Steagall under Clinton allowed banks to trade using the mortgages they held. This made it possible for the banks to pull a major scam. The banks made

mortgage loans (known as sub-prime loans) to people who could not afford the homes they were buying. The banks would take those mortgages and combine them with other loans and trade these bundled assets on the financial markets, as if they were really worth something. This was all based on the belief that the value of housing would continue to increase, guaranteeing a profit on every mortgage folded into this phony bundle of debt.

To the amazement of many, this went on for years. And it worked! The hedge fund traders and banks were making billions of dollars. Most of the big investment houses and banks were involved in buying and selling home loans like this. In 2006, twenty percent of their mortgage-related assets were based on sub-prime loans that were based on total speculation.

Why would they take this risk? The banks and corporations were desperate for new markets to invest in. With the deregulation of financial markets, the bankers and investors believed they had created an unlimited arena for investment – lending money to people to buy homes. The problem is that this plan assumed that real estate prices would constantly increase.

But they didn't. And in October of 2007, the house of cards began to collapse as housing prices fell. Immediately people began to default on their mortgages. The most horrible thing about this scam was that twelve million people have lost their homes since the financial crash began but the bankers themselves have not suffered.

The collapse of the housing markets was just the tip of the iceberg. The capitalist economy of the world had reached a tipping point, and a downward spiral began, causing enormous suffering. We have not yet seen the full consequences of this crisis.

## **Whose President?**

The first order of business for the Obama administration was to tackle the economic crisis. But from the beginning, Obama was clear that he would put the banks first. That was his job – to defend the moneyed interests. It is why the top five banks—JP Morgan Chase, Citigroup, Bank of America and Goldman Sachs—donated \$3.5 million to Obama in 2008. All we need to do is look at some of the names in Obama's administration to see that the Obama administration was designed to represent these banks' interests.

### **National Economic Council - Lawrence "Larry" Summers**

Larry Summers was appointed head of the National Economic Council. Summers was tasked with setting economic policy for the Obama administration in the face of economic collapse, and as the facts started to emerge about the banks' manipulation of loans and

investments. But Summers himself was in fact one of the architects of so-called “financial de-regulation”. During the 1990’s, Summers served as undersecretary and then secretary of the Treasury under Bill Clinton. Along with Federal Reserve chairman Alan Greenspan and treasury official Robert Rubin, Summers was instrumental in the repealing of the Glass-Steagall Act in 1999.

### **Treasury Secretary - Timothy Geithner**

The Obama administration appointed Timothy Geithner as Treasury Secretary. Geithner had been an economic advisor under the Clinton administration, and then was appointed by President Bush as President of the Federal Reserve. Once again, in the case of Geithner, Obama chose one of the officials who helped deregulate investment laws under Clinton, and someone who had played a key role in the economic policies of the Bush administration.

### **President’s Economic Recovery Advisory Board - Paul Volcker**

A special board of advisors was set up to shape Obama's economic policy. The President of this board, Paul Volcker is a long-time investment banker. Volcker was also President of the Federal Reserve Board under Democratic Party President Jimmy Carter, and continued under Republican President Ronald Reagan. He was instrumental in designing Reagan's economic policies, which included tax cuts to the wealthy and a massive assault on unions.

### **Attorney General - Eric Holder**

Obama appointed Eric Holder as Attorney General. Holder is a corporate lawyer who served as deputy attorney general under Clinton, and then worked as a lawyer defending major companies against lawsuits during the years of Bush's presidency. One of Holder's main jobs, as a lawyer, was the defense of Chiquita Brand foods whose executives were funding armed gangs to murder union organizers and political activists in Columbia.

### **Central Intelligence Agency Director - Leon Panetta**

Obama's Director of the CIA, Leon Panetta was Clinton's White House Chief of Staff. Under Clinton, Panetta's main act was to design policies to eliminate federal welfare programs, such as Aid to Families with Dependent Children.

### **Secretary of Education – Arne Duncan**

The Obama administration chose Arne Duncan, the Chicago public schools' Chief Executive Officer, as Secretary of Education. Duncan made his name in Chicago applying budget cuts to education by blaming teachers for the failure of schools. Arne Duncan's key initiative in Chicago was something called "Renaissance 2010" which allows the government to fire teachers and staff, and turn public schools into privately-run charter schools. Obama's appointment of Duncan was a signal that Obama intended to carry out these sorts of policies on the national level.

### **White House Chief of Staff – Rahm Emanuel**

Obama appointed Rahm Emanuel as his administration's Chief of Staff. Emanuel had been one of Bill Clinton's domestic policy advisors during Clinton's assault on welfare programs. During the Bush years, Emanuel made a fortune as a high paid executive at the investment bank Dresden, Kleinwort and Wasserstein. Then he was elected as a representative for Illinois in the House of Representatives. As a representative, Emmanuel was instrumental in supporting policies to bail out the banks. In 2011, Emanuel left this position to become Mayor of Chicago where he made attacks on teachers and schools one of his main policies.

Emanuel is also a former civilian volunteer in the Israeli Defense force. He is a strong supporter of Israel's brutal policies of occupation and oppression of the Palestinian people.

The appointment of these people, who are all played such important roles in the corporate and finance worlds, to high powered posts within the Obama administration ensured that the continued profits of the banks would be guarded, even in the midst of the economic collapse.

### **Who Got Bailed Out?**

One of the first things that the Federal government did immediately after the market panic of 2008 is to begin making up for the lost profits of the banks and corporations by direct injection of public funds. Bush and Obama's administrations promised a combined total of \$13 trillion in federal funds to bail out the banks and investors, arguing that they were "too big to fail".

The bail-outs began with a \$700 billion expenditure of public funds called the Troubled Asset Relief Program (TARP). In late September 2008, George W. Bush put forward the proposal for this first round of bail-outs to pay the banks. The public was so outraged that they flooded Congress with emails and phone calls, and the servers handling Congressional email crashed. The outcry was so great that, fearing for their

image, 45 Democrats and six Republicans voted against the proposal the first time it was put forward. Obama was not one of them. By the second round of votes, TARP was passed, and immediately \$350 billion disappeared into the hands of the banks and investment firms to offset their falling profits.

The bail-outs continued under Obama. As Treasury Secretary, Timothy Geithner introduced the Public-Private Investment Program for Legacy Assets. This program bought up two trillion dollars in so-called “troubled assets”. In other words the government spent federal money to pay the banks for the worthless assets they had created.

Then in March of 2009, the Obama administration gave General Motors and Chrysler \$25 billion in loans while allowing them to go bankrupt and re-structure their workforce, shredding previous union contracts. This meant slashing wages and benefits for auto workers and re-structuring so that new workers would make \$14 an hour, or half of what workers were making under the old contract. The heads of the United Auto Workers union accepted this agreement as a necessity to “save the auto industry”.

So far, there have been three trillion dollars in bail-outs paid to corporations under the Bush and Obama administrations combined. This is the biggest transfer of wealth to the rich in the history of the world. And this wealth transfer has had enormous consequences for the rest of the population.

### **The Economy under Obama**

While the federal government under both Bush and Obama moved swiftly to cushion the blows for the major banks and corporations who engineered the economic crisis, ordinary people have been the ones who have paid the price.

In the last four years, unemployment has reached the highest it has been in decades. Today 27 million people remain out of work.

Since 2007, nearly twelve million people have lost their homes due to foreclosures and the inability to pay their mortgages.

Health care costs have risen 150 percent since 1998. And the prices of basic food products have climbed ten percent since June of this year. There are now 46.7 million U.S. citizens, and one in three children, who are dependent on food stamps.

Meanwhile the economic crash has had drastic consequences for the infrastructure of the U.S. There are 48 out of 50 states that face yearly budget deficits in the billions. Cities are declaring bankruptcy. States from California to Illinois to Maine are slashing social programs such as health care for the elderly and poor, day care for children, and food and housing programs for needy families.

## **Health Care Reform**

One of Obama's main promises was to bring about health care reform. This was a very popular promise with ordinary people. There are currently 50 million Americans who have no health care coverage. Two thirds of all personal bankruptcies in the U.S. are linked to health care costs when people can't pay their medical bills.

But health care costs are also a major problem for American companies. The health care corporations are making profits hand over fist off of the rising costs of insurance and health care. But other companies, those who have contracts with their employees to provide health care, have had to pay for part of the rising costs of health care.

While the immediate response of companies to the problem of rising health care costs has been to attack workers' benefits, many American companies have also supported some sort of health care reform – not out of any concern for their workers, but simply because they are losing too much of their profit to the high costs of health care.

In 2009, Obama and the Democrats made it their main goal to draft a health care reform law. But was the goal of Obama's health care policy to supply health care to the millions of people who need it? Not at all. The Obama administration's health care policies responded much more to the needs of American corporations to have some sort of regulation of health care costs, while still guaranteeing the profits of the health care companies.

The Patient Protection and Affordable Care Act, was created by the Obama administration in collaboration with the heads of the Pharmaceutical Researchers and Manufacturers Association and the major health care companies. It was a compromise between the profits of the health care companies and the costs to the rest of American companies.

In March, 2010, Obama signed the act into law. So what did this so-called reform look like? The Affordable Care Act leaves the U.S. health care system intact. However, it begins to regulate this system in two ways. Before the Affordable Care Act, the health care companies in the U.S. were free to charge individuals higher premiums or even reject them for health care based on so-called “pre-existing conditions”. In other words, the worse the health of a person who is applying to a health care company, the higher the cost for health care.

The Affordable Care Act changed this system by creating standards which companies must meet. It makes it illegal to deny health care to patients with pre-existing conditions. And it sets the prices of monthly health care payments in order to make them more affordable. It also raises the age under which children can be part their

parent's health care plan by two years to the age of 26. Overall the Affordable Care Act brings 23 million uninsured Americans under some sort of health care plan.

In return for these real limitations on the health care companies' right to profit, there is one key feature of the Affordable Care Act – it requires individuals to buy health care. And there is no public option. In other words, it will be illegal not to be a customer of one of the health care companies. Those who do not take out health care plans will be subject to fines.

A version of this plan is already in effect in Massachusetts. The minimum health care plan for an adult costs \$5,600 per year in fees. Then, there is a \$2,000 deductible before the insurance pays for any treatment. So before a person gets any health care they have to pay \$7,600 of their own money. This is the big pay-off for the health care companies. They surrender themselves to some regulations, but they win a whole new set of customers who are forced to buy health care plans.

### **Congressional and State Elections, 2010 - The Rise of the Right**

In 2010, congressional and state elections took place which changed the political parties' control over Congress once again. Obama and the Democrats had controlled Congress and the presidency for two years. Without any of people's basic problems being addressed, anger against Obama started to grow. In the summer of 2010 some right-wing politicians and media personalities called for town hall meetings, and rallies in opposition to Obama's health care plan. This outpouring of anger became collectively known as the Tea Party Movement.

The main organizers and spokesmen for this right-wing sentiment are a number of television and radio personalities with links to the Republican Party. They take the economic and social problems that people have and blame them on Obama administration policies. Tea Party politicians and pundits call for massive budget cuts, and attacks on unions, environmental regulations, and social welfare programs. They make wild claims about the supposed socialist goals of the Obama administration. In addition, these claims are mixed with thinly veiled racist attacks on Obama himself.

Much of the funding for activities identified with the Tea Party, from demonstrations to electoral campaigns, comes from billionaire corporate funders. Behind the Tea Party stand donors like the right-wing billionaires, the Koch brothers. Their aim is primarily to mobilize people to support the Republican Party in the coming elections and launch further attacks on social programs.

In the 2010 Congressional elections, the Republicans fielded 138 state and federal candidates who were identified with the so-called Tea Party movement. Of these candidates, 40 won seats in state and federal government. This was enough to shift the balance of power. In Congress, the Republican Party won a majority in the House of Representatives, though not in the Senate. On the state level, the Republican Party won

eleven governorships away from Democrats.

Ever since 2010, the Democratic Party has blamed the Republican Party for blocking and sabotaging attempts to make fundamental changes. It is true that the Republican politicians, especially those associated with the Tea Party, have been particularly outspoken in their attacks on the population. But no one should forget that for the first half of the Obama presidency, the Democratic Party had effective control of the House and the Senate as well as the presidency.

### **Ending the Wars?**

Another of Obama's major campaign promises was to put an end to the wars in Iraq and Afghanistan. His administration has made loud proclamations about withdrawing troops from both countries. But in fact this policy has nothing to do with ending the wars. Under the Obama administration's plan, Iraqi and Afghani troops, trained and armed by the American military, will take over most of the fighting on the ground. However, American forces are to remain in both countries carrying out targeted strikes with Army Special Forces, or using aerial bombardment with aircraft and military drones.

The U.S. withdrew most combat troops from Iraq as of December 2011. However, 17,000 U.S. intelligence and State Department officials remain in the city-sized U.S. embassy in Baghdad. The U.S. also maintains consulates in Basra, Mosul and Kirkuk, with 1,000 staff each. These sites are guarded by 4,000 to 5,000 private defense contractors.

Likewise in Afghanistan, Obama has promised to withdraw combat troops by 2014. But the plan calls for a so-called "support mission" of U.S. forces to remain in the country.

The wars have expanded under Obama to include drone strikes involving unmanned military drones which fire rockets at human targets. Thousands of civilians have been caught in the cross-hairs of these drones, and drone-strikes have taken place on weddings and other social gatherings. Under Bush there were 11 drone strikes per year, but under Obama this number has increased to 80 drone strikes. In addition, drone strikes have been carried out not only in Afghanistan but in Pakistan and Yemen.

Clearly under Obama there has been no real plan to end the U.S. wars on Iraq, Afghanistan, and other countries.

### **The U.S. and the Arab Spring**

At the beginning of his term, Obama went to Cairo and delivered a speech which promised a change in U.S. relations with the Middle East. The U.S. government maintains a network of military and diplomatic aid and influence in the Middle East.

Since the 1970's, the power of the U.S. in the region has extended across the region. The U.S. has used its influence to force the privatization of economic resources, and the cutting of any social development programs. Obama's speech played upon the hopes of people in the Middle East that his presidency would signal a real shift away from these policies.

But what was the Democrats' reaction to the Arab Spring, a massive rebellion that swept the Middle East beginning in December 2010? In fact the U.S. government under Obama supported and tried to maintain those same governments in power that people fought to overthrow. As the rebellions spread, Obama publicly urged people to compromise with the dictators they were trying to overthrow.

If there was any doubt about the Obama administration and the Democrats' attitude towards the people of the Middle East, all we have to do is look at the most recent Democratic Party convention. The leadership of the Democratic Party forced through a resolution declaring Jerusalem, a city divided between Israelis and Palestinians, to be the capitol of Israel. This resolution essentially means a declaration of support for Israel's 60-year-long occupation of the Palestinian people. This resolution incorporates U.S. support for the occupation as part of the Democratic Party's platform.

## **Immigration Reform**

The rights of immigrants have become a major public issue in the United States. In response to the recent public focus on this issue, another of Obama's major promises was immigration reform.

Obama has since made only the most minimal gesture toward addressing the problems of immigrants. In June 2012, Obama made a promise that his administration would not deport young people who are not American citizens, but were brought to the United States as children. This promise acknowledges a major issue: that children of immigrants can grow up in this country for all of their conscious life, and then can be deported to countries where they have no connection except the legal status of their parents.

But in fact, Obama's administration has also perpetuated the ongoing attacks on immigrants in this country. Obama's appointment of Janet Napolitano, the anti-immigrant governor of Arizona was a signal that the Obama administration was going to maintain and extend the attacks on immigrants that had taken place under the Bush administration. The Obama administration has deported 1.4 million undocumented immigrants in four years. This is 50 percent more deportations than the Bush administration carried out in eight years.

## **The Rights of Women**

Obama made promises to defend the civil, economic, and reproductive rights of women. Obama's administration has passed legislation and taken action on some issues. The Affordable Health Care Act includes provisions that insurers should give contraceptive services for free. The Obama administration also revoked the practice (which had been common under the Bush administration) of denying funding to international aid organizations that provide birth control and abortion services to women. In 2009, Obama also signed the Lily Ledbetter Fair Pay Act into law. This bill extends the period of time women can file for sex discrimination or sexual harassment at work. In spite of all of the attacks that the Democrats continue to carry out, these are some of the few positive changes that the Obama administration has made. However, these changes have in no way made up for the cuts family planning and women's aid organizations endured during the Clinton years.

## **Gay Rights**

Unlike the Republicans who use homophobia to appeal to their base and win support in the elections, the Democrats have been willing to defend some of the rights of gay people. Obama overturned the “Don't Ask, Don't Tell” rule in the military. This policy forced gay people in the military to remain in the closet, and implicitly endorsed the harassment of and violence against gay people in the military. In addition, Obama has stated his support for the right of gay people to marry, although he has not used his federal authority to enforce this right. However, his administration did extend the rights of gay people to make medical decisions for their partners, and have hospital visitation rights. In spite of these changes, Obama has spoken in favor of states' rights to decide if gay people deserve the right to marry. This allows some states to deny gay people the basic legal equality that marriage grants.

## **Civil Liberties and the Patriot Act**

Under Obama, the assault on civil liberties has only increased. As a candidate for the presidency, Obama had promised to revise, if not revoke, the Patriot Act. This set of laws, passed in 2001, dramatically impacted civil liberties, established the Department of Homeland Security, and gave intelligence services wide-ranging power to search, spy on, and even imprison U.S. citizens.

Obama has refused even to restore the right of habeas corpus – the right to be brought before a court of law if arrested. In other words, U.S. citizens whom the government suspects of being so-called “terrorists” can be held indefinitely.

Obama promised to close the military base at Guantanamo Bay, Cuba. Since 2002, 779 people have been detained at Guantanamo. During their detention, scandals have erupted over psychological and physical torture, and the fact that these prisoners have not been allowed any due process. Obama promised that these practices would end along with the prison, but nothing has been done.

Obama used the Authorization of Military Force Act to justify the assassination of U.S. citizens suspected of engaging in terrorist activities in Yemen, including one sixteen year old boy.

Obama has not only continued spying on U.S. citizens, his administration has justified the extension of the surveillance and monitoring of people. The Obama administration has allowed the State Department to eavesdrop on tens of millions of citizens without a warrant.

In 2010, the website Wikileaks released 250,000 diplomatic communications and 500,000 army reports to the public. These secret documents exposed a number of U.S. operations in the world, from support of dictators such as Ben Ali of Tunisia, and Moammar Qaddafi of Libya, to the brutal violence of the U.S. military against civilians in Iraq and Afghanistan.

The U.S. government alleges that the release of these documents endangers U.S. soldiers and officials, but this claim remains completely unproven. However, since the release of these documents the Obama administration has pursued the Wikileaks founder Julian Assange and pressured foreign governments to surrender Assange to the U.S. The soldier Bradley Manning who is the alleged source of the Wikileaks documents has been imprisoned since July 2010 under brutal conditions while he awaits judgment by a military court.

Manning is not the only person to suffer for exposing the secrets of the Federal government. The Obama administration has used the 1917 Espionage Act to prosecute whistle-blowers more times than all of the previous presidents combined. The Obama administration has used it six times since entering office – until this, it had only been used three times in the previous 91 years.

## **The Environment**

Global climate change threatens the planet. Nearly every climate scientist in the world agrees that global warming is not only happening but that it is man-made and accelerating. Natural disasters, from floods and hurricanes to firestorms and droughts, are becoming commonplace news headlines. While Obama and the Democrats acknowledge climate change as a massive problem, they have done nothing to address it.

Obama, like Bush, refused to sign the Kyoto Accords and other international agreements that would limit greenhouse gas emissions. In addition, the Obama administration has rewritten the Clean Air Act and the Clean Water Act to permit offshore drilling and the use of fracking, a highly destructive form of natural gas extraction. Obama has also authorized drilling in government-protected lands on the East Coast, in Alaska, and off the coast of Florida.

In 2011, he faced the challenge posed by the construction of the Keystone XL pipeline,

a pipeline which would transport crude oil produced from oil-containing rock known as tar sands from Canada to multiple destinations in the United States. Obama's approval was necessary after congressional approval of the entire project. The plan was only delayed after major protests against it, which were joined by opposition from state, local, and federal politicians. This outpouring of opposition embarrassed Obama and the Democrats, who then delayed the final approval of the project. Since then, Obama has signed off on the southern portion of the pipeline – another step toward implementing the plan in entirety, unless the opposition once again mobilizes sufficient forces.

Across the board, Obama and the Democrats' policies have failed to even begin to address the problem of climate change.

### **Education under the Obama administration**

Under the Obama administration, education has suffered major budget cuts. Education is the biggest proportion of state budgets, and one of the first places where politicians cut in order to balance those budgets. In California alone, K-12 education has been cut by \$18 billion since 2008. This is 50 percent of the total budget for K-12 education.

But there is another side to the education policies. Education costs amount to \$500 billion per year in the United States. This is not only a place where budgets can be cut, it is also a pool of money which private companies would like to bring under their control, and profit from.

The Obama administration put forward a policy under Education Secretary Arne Duncan called “Race to the Top”. The “Race to the Top” legislation pushes state governments to link funding and teachers' pay to standardized testing and student performance. The K-12 system has seen students' performance suffer as a consequence of deteriorating social conditions and funding cuts. The “Race to the Top” legislation uses this failure of the education system to turn around and make further cuts, and attack teachers' pay and benefits.

“Race to the Top” allows states to shut down public schools and reopen them as charter schools. These charter schools, many of which are owned by charter school companies supported by corporate foundations, are not subject to the same rules as public schools. Charter schools are not required to allow union representation for teachers and other workers. Charter schools almost always pay less. A charter school teacher earns an average of \$31,000 a year, while a public school teacher earns \$47,000.

While the K-12 system is under attack, young people are being deprived of access to higher education. Tuition and fees at public four-year colleges increased 300 percent between 1990 and 2011. As a consequence of these rising costs, student debt has recently topped one trillion dollars, becoming the biggest source of personal debt in the United States.

## **Attacks on Unions**

Obama enlisted the support of the unions during his election. The union officials hoped that Obama's election would make it possible to pass a Congressional act called the Employee Free Choice Act. This law would allow workers to join a union after a simple vote rather than going through a lengthy process during which employers can block and undermine union campaigns. Nothing guaranteed that workers who joined unions with a simple vote would gain a decent contract, or be organized to fight against concessions and attacks, but at the least this legislation would make it easier for workers to obtain union representation.

Even this legislation was too much for the Democrats and Obama. In spite of all of the money and effort that the unions had spent supporting the Democratic Party, the Democrats in Congress did not use their majority to pass it. In fact, since 2008 every promise to workers and their unions has been thrown overboard. And every attack on workers has been met by silence or hostility by the Democratic Party.

The year 2011 saw a massive wave of anti-union legislation. The most important attack was led by Governor Scott Walker in Wisconsin. Walker, a governor elected with the support of the Tea Party, put forward legislation to remove the right of public sector unions to collectively bargain contracts. In other words, public sector unions were to be dismantled. This attack led to a mass movement against the legislation. Thousands of people occupied the capitol building and demanded an end to the legislation. What did Obama do to support people's attempts to defend themselves against this attack? Nothing. Obama and his administration did not set foot in Wisconsin or speak up to defend workers' rights.

This is not surprising. In fact, at the same time that Scott Walker was attacking unions in Wisconsin, Democratic Party governors in California, Connecticut, Hawaii, Illinois, Maryland, Massachusetts, Minnesota, New Hampshire, New York, Oregon and Washington, were forcing massive concessions on state workers.

The Democrats' attitude toward workers' union protections was again put to the test in September 2012. Teachers in Chicago began fighting back against the policies which had begun under Arne Duncan's "Renaissance 2010" reforms, and his federal-level "Race to The Top" initiative. Chicago teachers faced an effort by Mayor Rahm Emanuel to restructure their pay-scale. Instead of teachers being paid for their years of work, and for their education, teachers' pay would be tied to the test scores and performance of students. Teachers went on strike for over a week against these policies.

What was Obama's response? Once again Obama had nothing to say. And how could he? Arne Duncan – former CEO of Chicago schools – is Obama's Secretary of

Education. And Rahm Emanuel- Mayor of Chicago – was a former member of Obama's cabinet. When Chicago teachers were fighting back, they were fighting back against Obama's policies.

## **Conclusion**

The election of 2012 poses the question once again – the Democrats or the Republicans? But this time around it is hard for anyone to say that they do not know what another four years of the Democrats will mean.

But many who vote for the Democrats will vote more out of fear than real support. From Nixon to Reagan, to Bush Sr., and George W. Bush, many people have felt compelled to vote against the Republicans. People vote against the Republicans' blatant attacks on civil rights and equality, support for war and imperialism, and their celebration of the privileges of the wealthy elite. With the Republican candidacy of Mitt Romney and Paul Ryan, it is the same story. Many people will vote for the Democrats to vote against what they fear from the Republicans. Given the reactionary attitudes and contempt that the Romney campaign and many other Republicans have openly expressed, it is also understandable why many people would be disgusted by the attitudes expressed toward immigrants, African-Americans, Latinos, women, gays, and poor people and would feel that they have no choice but to vote for Obama and the Democrats on November 6<sup>th</sup>.

But the Democrats' record shows what we can expect from them - attacks on workers, strengthening the repressive measures of the state, expanding imperial war, and destroying the planet – all for the benefit of the capitalist class of this country. Candidates like Obama and Biden may seem more humane, more concerned with the welfare of workers, more concerned with the environment, and less warlike. And they may in fact be more inclined to defend the civil rights of women and gay people. But beyond that, they carry out the same economic policies, the same policies of violence in the world, and the same attacks on workers in the United States.

Much more important than this election is what people are prepared to do beyond it. Our future does not rest with electoral choices. As this pamphlet has attempted to show by examining the betrayals of the Democrats throughout the past, the Democrats are masters of trickery and deceit. Our hope for change is co-opted when placed in the passive act of voting for one of two major capitalist parties and their pre-approved and pre-selected candidates, packaged by the media for our consumption as if we were shopping at the mall.

The future will be determined by what the masses of people in the U.S. decide to do today and in the future. It will be decided in the workplaces, neighborhood and the streets of this country. It will depend on how strongly people mobilize themselves and depend on their own forces, and respond to the realities of their own struggles. It is a question of choosing our own leaders, based on seeing what they do, so that we know

whom we can trust and who is not trustworthy.

The U.S. ruling class has the two main parties of this country at its complete disposal and service. To have a real alternative means to have organizations that really serve and represent the working class and the oppressed layers of the population, the vast majority.

The objective of RWG is to build a working class revolutionary party. We know, of course, we are not going to do it by ourselves. But we know also that it is in the interest of the majority of the population and there are many activists and groups who share this objective, and even more people who could support it. It's why we invite all those interested in that goal to join us in order to help organize workers and youth, students and young workers, all who are ready to fight against capitalist society and turn their backs on all the capitalist parties and politicians, whether they present themselves as liberal or conservative, Republicans or Democrats.

The Democratic Party is just recycling the same old strategy. We need a real alternative, an alternative based on our own interests, our own forces, our own energy and our own efforts.

Those who don't learn from history are destined to repeat the mistakes of the past. Those who study history at least have a chance to learn from the struggles and to see the traps that have been laid. This hopefully can help us come together to take a different path in the future.

## **Where We Stand**

The world we live in today has enormous possibilities -- the potential to open up the most challenging epoch of humanity's existence. We have the prospect of living in a conscious fashion, using all the advances of human knowledge and engaging the creative potential of each person on the planet. Instead we see the world moving in the opposite direction -- increasingly ruled by prejudice and fear, a world of widespread violence and war, where exploitation and oppression are the rule, with the many dominated by the few.

## **The Force For Change Exists Today**

Everywhere, working people's labor makes society run. The exploitation of labor is what generates profits, which are at the heart of capitalism. Working people have the power to bring this system to a halt and bring about the changes needed to transform our lives. Like slavery, feudalism and other systems that enriched the minority at the expense of the majority, capitalism's removal is long over due. The time for socialism has come.

## **We Stand For Socialism**

A world based on peaceful collaboration and international cooperation of working class people -- not the exploiters who rule today.

- The common ownership and sharing of the world's resources and productive capacity under the democratic control of the world's peoples.
- An egalitarian and democratic government, organized and controlled from the bottom up, which facilitates people's active participation in making decisions about how society is run.
- Protection of the world's ecological systems, putting science to work to sustain life, not destroy it.
- A society where human relations are based on respect, equality and dignity of all peoples, not racism, sexism or homophobia.

## **Our Political Heritage**

We base ourselves on the ideas and actions of Marx, Engels, Lenin and Trotsky, on the model of the Russian Revolution of 1917 when the working class showed its capacity to take over and exert its power, and on the revolutionary ideas of the Fourth International in its struggles against Stalinism.

## **We Must Go Beyond Reforms**

We support the struggles of those who are fighting against the oppression of capitalism, even if the goals of those struggles are not aimed at replacing the capitalist order. We support the right of people to determine how they will live and to throw off the forces of imperialism -- be it the domination of the corporations, the World Bank, the IMF, military forces or other agents of imperialism. We support the fight against racial and sexual discrimination. We fight against attacks

on the standard of living of working people -- wage and benefit cuts, attacks on health care, education, housing and other basic rights.

Socialism cannot come through a modification of the existing system. It is not replacing corrupt politicians or union officials with those who are more honest or who are willing to see more of society's resources shared with the poor. It is not getting better contracts or laws. These systems based on privilege and exploitation must be removed and replaced by one that can guarantee the reorganization of society for the benefit of all.

### **What Is Needed To Bring This Change About?**

It will take a massive social struggle, a revolution, by the majority, the workers and poor of the world, with the working class at its head, taking power in its name and reorganizing society.

It will take the construction of an international revolutionary leadership actively engaged in these struggles.

It will take the development of a party, based in the working class, in the U.S., the richest country of the world, as part of this international leadership. The fate of the world depends on building such an organization, though today it is represented only by individuals or small groups, scattered and marginalized, who share those goals.

The decisions made by a few individuals today, who are ready to start acting on these ideas and who are willing to collaborate with other groups who agree with this program and who are ready to work to implement it, could play a role in determining the future of the world.

**If you're interested to find out more, contact us at:**

**[www.SpeakOut-Now.org](http://www.SpeakOut-Now.org)**

**email: [SpeakOut-Now@gmx.com](mailto:SpeakOut-Now@gmx.com)**



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contact us:**

**[www.SpeakOut-Now.org](http://www.SpeakOut-Now.org)**

**[SpeakOut-Now@gmx.com](mailto:SpeakOut-Now@gmx.com)**