

# **Fiscal Cliff Doublespeak Duplicity**

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Global Research, December 19, 2012

Region: <u>USA</u>
Theme: Global Economy

At issue is destroying social America, increasing the unprecedented wealth disparity, punishing ordinary households, impoverishing growing millions, and providing limitless funding for militarism, imperial wars, and corporate favorites.

Also ahead is toughening police state harshness against non-believers. America's at the precipice of full-blown tyranny.

Washington's fiscal cliff debate is doublespeak deception. Republicans and Democrats share guilt. Language refers to expiring yearend tax breaks and unemployment benefits.

It's also about sequestered/largely discretionary yearend \$1.2 trillion in cuts coming to address them. Republicans and Democrats share guilt.

Backroom double-dealing planned them months ago. The criminal class in Washington is bipartisan. It's perhaps worse now than ever.

Details alone remain working out. Both parties are in lockstep on policy. Third worldizing America is planned. A previous article said only Republican Nixon could go to China when America had no diplomatic relations.

Only Democrat Obama dares end America's decades-long social contract. His mandate is eliminating government's responsibility for Medicare, Medicaid, Social Security, and publicly-funded pensions.

Straightaway in office, he attacked social America. He promised deep cuts. He sold out constituents who expected better. He did what they thought impossible.

Another article said he matched Star Trek. He went where no administration went before. Imagine what's ahead in term two. He's unrestrained. He'll throw America's most disadvantaged and middle class under the bus. Expect him to take full advantage.

In 2010, his Simpson-Bowles National Commission on Fiscal Responsibility and Reform (NCFRF) recommended deep Medicare cuts, higher Medicaid co-pays, and restrictions on filing malpractice suits, among other ways to end Washington's responsibility for healthcare incrementally.

Raising the retirement age incrementally to 67 is a scam. In 1981, <u>Alan Greenspan</u> headed Reagan's National Commission on Social Security Reform.

His mandate was to study and recommend ways to deal with "the short-term financing crisis that Social Security faced."

None existed, but it was claimed that the "Old-Age, Survivors and Disability Insurance Trust Fund (OASDI) would run out of money....as early as August, 1983."

It was a hoax no different from today's false claims. Social Security was sound then and now. Greenspan engineered the transfer of trillions of public dollars to private hands.

Up to then, it was the greatest ever heist in plain sight. It's still ongoing. Policy planners want more. Current plans call for raising the retirement age incrementally to 67.

It's another scam. Greenspan's scheme cut benefits gotten at any age. People retiring at 64 got no more than at 62 earlier. At 65, they got what 63-year-olds once did.

Maximum retirement age is 70. Benefits are less than recipients got a generation earlier. Raising the retirement age is code language for cutting benefits. Orwellian language hides it.

On December 5, <u>Naked Capitalism</u> headlined "The Obscenely Rich Men Bent on Shredding the Safety Net," saying:

A coalition of powerful rich men want Social Security, Medicare, and Medicaid cut or eliminated. It's to make them richer. Concern about debt reduction doesn't wash.

Whatever they do or don't do, it'll keep rising exponentially. Fixers cashing in with massive bailouts, huge subsidies, tax loopholes, and unpunished fraud want more for themselves at the public's expense. War profiteers want their share.

"Fix means cut."

"Reform means rob."

"Bipartisan means all of the rich."

"Concern means covet."

"Fiscal conservative means economically" challenged.

"Strip-mining is not leadership."

Robbing poor Peter to pay rich Paul is bipartisan-agreed on policy.

Plans to privatize Social Security and end public pensions come later.

A recent hearing sponsored by the Treasury and Labor

Departments marked the start of Obama's war on pensions. He wants public and private accounts eliminated.

Plans are in the talking stage. Policy measures come later. Obama's retirement trap will affect millions. They won't know what hit them until it's too late to matter.

The Bipartisan Policy Center (BPC) also recommended deep Medicare cuts, higher Part B

premiums, big co-pays and outpatient fee increases, as well as establishing privately owned, lower-cost health insurance exchanges to gradually eliminate traditional Medicare. It also wants Medicaid funding cut.

Republicans and Democrats turn truth on its head. They sayMedicare, Medicaid and Social Security are responsible for rising deficits and America's national debt burden.

They also bogusly claim Medicare and Social Security are going broke. When properly administered, both programs are sustainable long-term.

Modest adjustments and responsible healthcare costs containment assure their viability perhaps in perpetuity.

<u>Money power</u> runs America. It has other plans. Corporate bosses demand it. Whatever they want they get. They buy politicians like toothpaste. Popular needs are sacrificed to serve them.

Social justice are four-letter words. Prosperity for millions is fast disappearing. Much worse ahead is planned. Neoliberal/imperial priorities let essential public needs go begging.

Current hard times will get much harder. Eroding safety net protections assure millions more will be impoverished. They'll be on their own and out of luck.

Obama's legacy already exposes him as America's worst president. He exceeded formidable competitors. He fronts for Wall Street, war profiteers, and other corporate bosses.

He's setting race relations back decades. Analysts one day may wonder how he and likeminded hardliners defrauded the public irresponsibly and got away with it.

Around yearend or early next year, expect his latest installment. Holiday cheer Obama-style assures lump of coal harshness. Many millions affected deserve better. Disappointment awaits them. It's baked in the cake.

The 2011 Budget Control Act mandates \$1.2 trillion in largely discretionary sequestered cuts for starters. Around \$4 trillion over the next decade is planned.

Much more will be added in out years. Spending won't decline so deficits will keep rising exponentially. Neither party worries about them or debt. Saying so is doublespeak deception.

America's most disadvantaged, middle income earners, and seniors will bear most pain. Super-rich elites are largely protected. So are corporate favorites.

<u>Paul Craig Roberts</u> asked if the fiscal cliff is real or "just another hoax?" It's "real, but it is a result, not a cause. The hoax is the way (it's) being used."

Doublespeak duplicity claims it's to reduce America's burgeoning deficit and debt. Neither can be addressed responsibly because spending prioritizes militarism, imperial wars, bailing out banks, huge corporate subsidies, and tax cuts for the rich.

It's also because America's industrial base moved offshore. High-paying/good benefit jobs went with it. Low-pay/poor or no benefit temp or part-time ones replaced them in smaller

numbers.

Federal revenues declined. Poverty and unemployment rose exponentially. America is on a fast-track for third world status.

Roberts calls it a hoax that resolving the fiscal cliff depends on destroying America's social contract. Republicans never wanted it in the first place.

It took Democrat Obama to help wreck it. Both parties replicate each other. They support wealth, power and privilege. They spurn popular needs. Let-em-eat-cake describes them ideologically.

Capitol Hill compromise assures "double-barreled" austerity. Spending cuts and tax increases are planned. Economists know they erode economic activity. Doublespeak claims otherwise.

America's economy is painfully weak and declining. Hammering it the way both parties plan assures crushing hardships for most people. The worst is yet to come.

It'll hit hard incrementally. Too much, too fast, exposes their dirty game clearly. Smaller doses are more deceptive. They're coming in stages like boiling a frog. It doesn't know it's dinner until served. By then it's too late.

Ordinary Americans are dinner. Political Washington plans the worst of all possible worlds. Prioritizing privilege at the expense of public needs assures conditions unfit to tolerate. They're coming.

Few in Washington represent ordinary people. Most don't care. Roberts sees America eventually crashing "big time." People worldwide will be grateful.

America and Israel threaten humanity. They're "the world's most hated countr(ies)." Celebratory global cheering will follow their collapse. Some day it's coming.

Economist Jack Rasmus appears often on the Progressive Radio New Hour. Fiscal cliff cuts are coming, he explains. Corporate CEOs are on board.

The fix is in. Fiscal cliff plans include major corporate tax cuts. The nominal 35% top rate will be cut to 28%. Most large companies pay much less. Some profitable ones pay little, nothing, or at times get rebates.

Obama also promised major changes in the foreign profits tax. The mainstream media doesn't explain. They hype what Obama calls shared sacrifice or pain without discussing who wins and loses.

Rasmus says further tax breaks are coming at a time corporations pay the lowest effective rates in over 25 years. Corporate taxes in the past two years as a percent of profits averaged about 12.4%.

From 1989 – 2007, they averaged 24.7%. Corporations hoarded over \$2.5 trillion in cash. With that amount and record low taxes, what justifies cutting more?

It's coming anyway at the public's expense. What's ahead includes deep cuts in

Medicare, Medicare, Medicaid, Social Security, Education, Veterans benefits, postal services, unemployment insurance, food stamps, and other social safety net programs.

The tax base will be broadened. It's coming through cutting mortgage deductions and other exemptions.

Middle and lower income households will be hard hit. The top personal tax rate will be marginally raised. So will the threshold to reach it. Taxes on upper income groups will be increased incrementally over decades.

Agreed on defense cuts will be mostly or entirely suspended. Veterans can expect benefit reductions. Agreement is close on next year's defense authorization. Expect it to exceed FY 2012.

When Congress addresses FY 2014, agreed spending will likely hit record highs. America already spends more on "defense" than all other countries combined. It comes at a time no enemies exist except ones Washington invents.

Rasmus believes the "mix of spending cuts to tax hikes will be no less than 6 to 1." Every dollar more in taxes will be offset by \$6 in cuts. Simpson-Bowles called for four to one.

In June 2011, Biden offered Boehner 87% in cuts for closing 13% of tax loopholes.

Expect something agreed by yearend or early next year. Continuing resolution hokum can delay what's agreed and when implemented.

Cuts will be largely backloaded. Small ones may occur next year. Others will begin taking effect incrementally in 2014 or 2015. Annually they'll increase.

Whatever is agreed on will be austerity, not stimulus when it's badly needed. At issue is how much pain, how quickly and when.

Rasmus expects something finalized by end of February or sooner. Households most in need will be hurt most. So will middle-income earners.

Whatever the final deal, its economic effect will be negative. Cuts come at a time of global weakness. Europe and Japan face recessions. America's economy is fragile. The knock-on effect severity remains to be seen.

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