

Obama's Corporate State of the Union

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Global Research, January 26, 2011

26 January 2011

Region: [USA](#)

Theme: [Global Economy](#)

Finally, Obama will be delivering real change. But not the kind envisaged by those who voted for him. Rather, Obama's revolutionary change builds upon the foundations laid by Reagan, who drastically altered American society by promoting the corporate sector at the expense of working people.

Obama's state of the union speech was the culmination of months of right-wing policies that began in earnest after the mid-term election, where his fake liberal garb was completely shed. Now, the naked, corporate President presides unhindered by any pretense to help working people.

And while Obama's policies will be explicitly pro-business, he'll continue to lavish encouraging words to working people, asking them for their patience as he attempts to make corporate America more "competitive and innovative." Obama has made it clear that he believes that job creation is created by the private sector (corporations), which will begin hiring once their profits are high enough. Reagan called this trickle down economics. It remains a lie.

But this lie has been at the center of the Obama administration's activities for months. The list of pro-corporate behavior is blatant enough to make Bush Jr. blush.

Extending the Bush tax cuts for the wealthy was only the beginning. Next, Obama signed off on the corporate-written Korean free-trade agreement. This was followed by the announcement that JP Morgan executive William Daley would be the new White House chief of staff, Obama's closest adviser.

To the delight of the business community, Obama then signed an executive order concerning regulations, which begins with the following:

" Our regulatory system must protect public health, welfare, safety, and our environment while promoting economic growth [corporate profits], innovation, competitiveness, and job creation."

This mutually exclusive sentence did not confuse the corporate-elite, who correctly interpreted it to mean that Obama would ease the rules that restrict their profit making, such as worker, environmental, and consumer protections.

Even more shocking was the announcement that Obama was creating a Council on Jobs and Competitiveness, headed by General Electric CEO Jeffrey Immelt, a sworn enemy of working people. The New York Times noted that the "... the company [GE] has closed 29 plants in the United States and one in Canada in the past two years, eliminating more than 3,000 jobs." (January 22, 2011).

Meanwhile, GE exports have risen in recent years, due to its effectiveness in driving down its workers' wages, as much as \$10 an hour.

And this is precisely why Obama chose the CEO of General Electric to promote his new economic policy. Obama intends to turn the United States into the exporting nation it once was, as a way to deal with the Great Recession. He has repeatedly stated that he intends to boost exports by "five fold," which can only be achieved by following the ruthless policies of General Electric: layoffs, reduced wages and benefits, reliance on part-time workers, and so on.

Increasing exports requires that U.S. workers make far less than they do currently if the corporations are going to hold onto their massive profits; otherwise products from China and India would remain cheaper on the world market. The U.S. cannot substantially increase its export capacity in a business friendly way and provide good union wages for workers at the same time. Either the export sector is built at the expense of workers or at the expense of big business. This truth is kept purposely hidden in Obama's speech, who cannot politically afford to say that he intends for U.S. workers to make real slave wages.

Raising exports demands cheap labor. It also requires — as mentioned in his state of the union — that corporate taxes be lowered in the U.S., which will push the deficit even higher, demanding that even more social programs be slashed.

These business-friendly policies have been much discussed in the U.S. media, which claims that Obama is making a shift from the political left to the center. Of course Obama never began on the left; he's never represented the interests of working people. He began his presidency at the center-right, and is now in the process of solidly establishing himself as a run-of-the-mill, corporate Republican.

In fact, Obama has spent his entire presidency groveling to the Republicans, who he insists can work with Democrats and Independents in harmony. To prove this theory, he has made numerous right-leaning "compromises" that continue to shift U.S. politics to the right, seemingly without end.

Moving the government back in the opposite direction — towards working people — will require drastic measures. First, labor unions and community groups must reject Obama's corporate-first philosophy. Working families must be put first.

Franklin Delano Roosevelt did this during the Great Depression when he created the Works Progress Administration (WPA), which was a nationally run public works program that put millions of people to work building infrastructure, schools, libraries, and other public buildings.

Working families have waited long enough. Corporate profits are already through the roof along with the growing inequalities in wealth, yet jobs are not being created, contrary to what the President claims. Instead of creating committees to figure out why corporations are not hiring, the President should raise taxes on the wealthy and corporations to fund a public works campaign. In this way, demand for products will be raised, and the increased demand will stimulate growth in jobs. Labor unions and community groups should form coalitions to demand this by organizing mass demonstrations across the whole country. We've waited long enough.

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http://www.nytimes.com/2011/01/22/business/economy/22obama.html?_r=1&hp=&adxnnl=1&adxnnlx=1295755409-wbtAQ61ys13TZLAaiYv1A

<http://www.whitehouse.gov/the-press-office/2011/01/18/improving-regulation-and-regulatory-review-executive-order>

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