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Biden “recovery” plan will fail to relieve social misery or stop pandemic death

On January 14, President-elect Joe Biden unveiled his \$1.9 trillion coronavirus relief bill, dubbed the American Rescue Act, which he has urged Congress to pass within days of his January 20 inauguration. This was followed the next day with a speech in which Biden outlined his vaccination plan, pledging to administer 100 million coronavirus vaccines within the first 100 days of his administration, although the current rate is far below that.



Biden speaks during at The Queen theater, Thursday, Jan. 14, 2021, in Wilmington, Del. [Credit: AP Photo/Matt Slocum]

The second announcement was significant mainly for what was *not* in it. Biden focused on the vaccine entirely to the exclusion of efforts to prevent the spread of infections, which will kill hundreds of thousands more before they can be vaccinated. Above all, there is not the slightest suggestion of the only serious measure to contain the pandemic: a full-scale lockdown of the economy, including closing non-essential businesses and schools, and providing income for working people and fully-resourced remote education for children until it is safe for everyone to resume normal life.

In announcing the plan, Biden paid lip service to widening income inequality, taking note of “those few people at the very top who are doing quite well in this economy.” He correctly

pointed out that the wealth of the top one percent has grown “roughly \$1.5 trillion since the end of last year, four times the amount for the entire bottom 50 percent of American wage earners.”

The American Rescue Act does not aim to reverse this trend through aggressive taxes on “pandemic profiteers” such as Jeff Bezos and [Elon Musk](#), who recently became the world’s richest man after “earning” some \$165 billion last year, based almost entirely on the meteoric rise of Tesla stock. In fact, there are no tax increases for the wealthy at all, with Biden allowing the wealthy to keep their ill-gotten gains while the federal government borrows the money—from these same billionaires, at a hefty price in terms of interest payments—to foot the bill.

Despite a majority of House Republicans and senators such as Ted Cruz (Texas) and Josh Hawley (Missouri) seeking to overturn his election victory last week, even after President Donald Trump’s fascistic coup attempt, Biden pleaded for “unity” with his “Republican colleagues.” He welcomed their input in modifying the legislation. This process has already begun, as the \$1.9 trillion cost of the package is \$1.1 trillion less than the Heroes Act, which passed the Democratic-controlled House last May, largely along party lines.

In fact, the combined cost of the \$900 billion relief bill passed last month and this latest \$1.9 trillion proposal is still less than the Heroes Act. The effect of the Democratic Party taking control of both houses of Congress as well as the White House is a smaller “relief” package than Pelosi proposed last year, when the Republicans still controlled the Senate and Trump was in the White House. This is under conditions where the need of millions of people for government assistance is far greater than it was roughly eight months ago.

The package includes \$415 billion in public health measures, of which \$170 billion is slated for the reopening of schools so as to get parents back at work producing surplus value for the ruling class. In order to facilitate this, Biden promised “more testing and transportation, additional cleaning and sanitizing services in those schools,” along with “protective equipment and ventilation systems.”

Some \$50 billion is allocated for COVID-19 testing and another \$20 billion for a national vaccination program. In Friday’s speech detailing the five steps a Biden administration plans to implement in order to vaccinate the population, Biden lumped teachers in with health care and grocery store workers as “essential workers,” and therefore prioritized for receiving the vaccine.

Notably, Biden didn’t say that every teacher would have to be vaccinated prior to returning to in-person, in-school instruction. Unlike groceries and hospitals, which are essential for the preservation and continuation of human life, schools are not. They can be closed temporarily or operated remotely.

This underscores the fact that Biden’s focus on reopening the schools “safely” is an not example of the Biden administration “following the science.” Rather, it exemplifies the fact that Biden will follow the dictates of the financial oligarchy, which is [well represented in his administration](#).

In another step down from the Heroes Act, only \$350 billion is allocated for state, local and tribal government aid, roughly a third of the \$1 trillion in the earlier Democratic proposal, which the Democratic leadership knew would never be passed by the Republican-controlled Senate.

The bill also includes \$15 billion in grants to small businesses and \$35 billion for state and local governments to administer low-interest loans. These small sums are an invitation for the Republicans to make a counteroffer that would boost the subsidies and include large corporations and banks, as in the bipartisan CARES Act enacted last March.

Other proposals, which have little chance of being included in a bipartisan bill, include:

- Increasing the federal per-week unemployment benefit by \$100 to \$400 and extending it through September 2021. The proposed \$400 a week supplement is still \$200 less than what was included in the CARES Act.
- Raising the federal minimum wage from \$7.25 to \$15, still a near-starvation amount. The proposal didn't lay out a specific timetable, meaning it could be years before it took effect, even were it not blocked by the Republicans and some right-wing Democrats.
- Increasing the Child Tax Credit to \$3,000 per child and \$3,600 for those under age six.
- A 15 percent increase in the Supplemental Nutrition Assistance (food stamp) Program through September, and an additional \$3 billion towards the Women, Infants and Children (WIC) program.

Drawing the ire of millions, Biden's plan for direct cash payments would be set at \$1,400, instead of the \$2,000 that many thought was coming after Biden touted "\$2,000 checks" while stumping for Democratic challengers in Georgia's November senatorial election runoff.

"If you send Jon [Ossoff] and the Reverend [Raphael Warnock] to Washington, those \$2,000 checks will go out the door," [Biden said during a rally](#). This was a deliberate lie, since the proposal from December, to which Biden, House Speaker Nancy Pelosi and Senate Minority Leader Chuck Schumer agreed, was to increase the \$600 payment to \$2,000 through an increase of \$1,400.

The fact is neither \$1,400 nor \$2,000 is enough for the millions out of work and the millions more that have fallen further into debt. A recent study on American household credit card debt conducted by the website *Nerdwallet* found the average credit card debt for a US household was \$7,027. Overall, 42 percent of those surveyed said their household financial situation had worsened since the onset of the pandemic, with 51 percent of those claiming a decrease in income, while 22 percent had a job loss.

Nearly 11 million jobs have yet to return since the lockdowns initiated in March of 2020, and roughly one [million](#) more unemployment claims were filed last week. Last week's Labor Department monthly jobs report revealed an overall loss of jobs for the first time since March, with US payrolls declining by 140,000 in December.

Figures from the Commerce Department released on Friday showed that US retail sales, the backbone of US economic activity, decreased by 0.7 percent in December after falling by 1.4 percent in November. At the same time, with teachers and other workers being blackmailed back into schools and workplaces, the coronavirus, and its new variants, have embedded themselves across the country, resulting in a world-leading death toll of some 400,000.

It is under these conditions that Biden's proposal, as he acknowledges, will do little to prevent this ongoing, preventable catastrophe, with the president-elect once again gravely intoning that a "very dark winter" is still on the horizon. As the WSWS has previously noted, mass death is not preordained nor inevitable, but the deliberate policy of the ruling class, which subordinates all aspects of society to its own the further enrichment.

The resources and material means exist to provide everyone with shelter and sustenance until vaccines can be administered to essential workers. The urgent task remains organizing workers on the basis of an internationalist socialist program and perspective in order to expropriate the ill-gotten wealth of the "pandemic profiteers" and use it for the preservation of life.

16 January 2021