

افغانستان آزاد – آزاد افغانستان

AA-AA

چو کشور نپاشد تن من مباد بدین بوم و بر زنده یک تن مباد
همه سر به سر تن به کشتن دهیم از آن به که کشور به دشمن دهیم

www.afgazad.com

afgazad@gmail.com

European Languages

زبانهای اروپایی

BY ROB URIE

21.11.2020

Democrats and the Canard of 'Too Far Left'

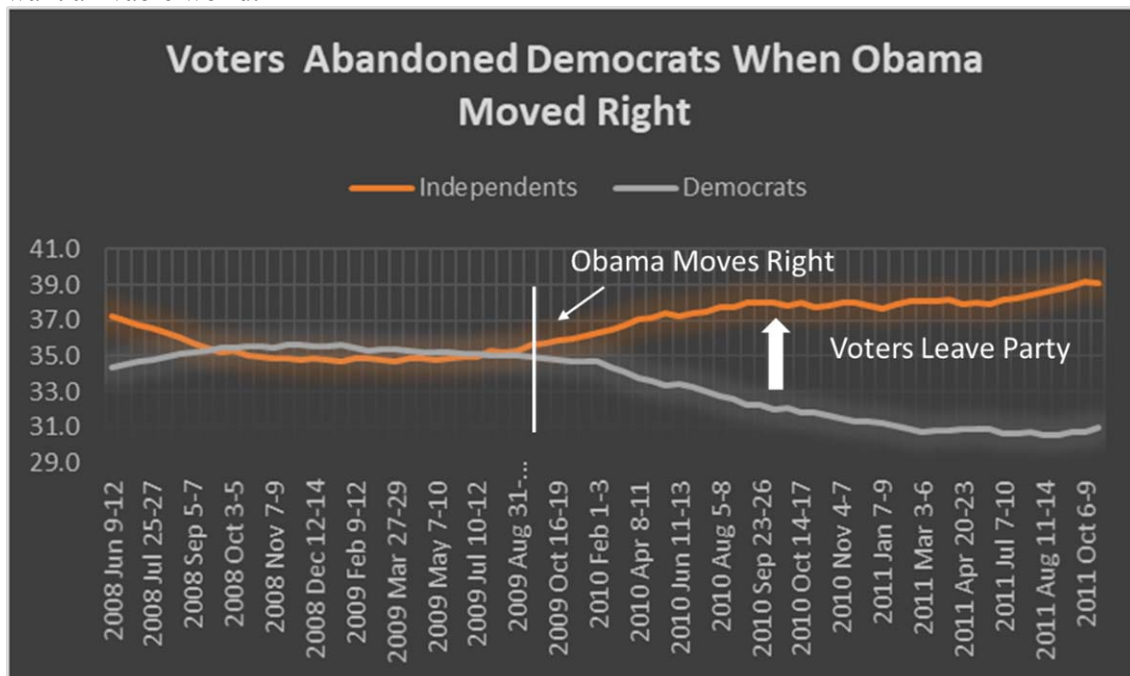


Photograph by Nathaniel St. Clair

Consternation over the Democrat's narrow electoral victory, regaining the White House while apparently failing to capture the Senate, and losing seats in the House, ignores both that divided government has long provided cover for their actual agenda, and that the explanation they are offering—that the party went too far left, emerges from the same worldview that brought us to this point in history. Those who imagine that more probable and nuanced analysis might bring their storyline back to desperately needed programs in the public interest ignore the history of modern electoral outcomes.

For those with memories that stretch all of the way back to ye olden days of Barack Obama's administration, the perennial cry of 'Socialism!' was applied by Republicans to his gift of several trillion dollars to Wall Street, his milquetoast effort to apply minimum standards of caution to bank activities from that point forward, his bailouts of the senior managements of the automakers while implementing 'tiered wages' for the workers who build cars, his Grand Bargain to cut Social Security and Medicare, and his intentionally neoliberal ACA (Affordable Care Act), whose 'market based' features caused the program to garner minimal public support.

Even if one were to grant their characterization as socialism, five decades of neoliberal 'solutions' produced the near failed state that we now inhabit. The claim that name-calling would lead people to abandon functioning programs in the public interest is cover for the bi-partisan failure to produce such programs. Despite a century of cynical and commercially funded rhetoric to the contrary, most people want 'socialist' healthcare. Most people want income and retirement security. Most people want meaningful employment at a living wage. Most people want to see their children educated, clothed, fed and employed. And most people want a livable world.



Graph: Barack Obama was brought to power along with a House and Senate controlled by Democrats, meaning that the citizenry wanted for Democrats to lead the country. Mr. Obama appointed many of the same people who had created the crises he inherited to his administration to resolve them. They set about rebuilding the institutions that were to blame, while leaving the people who elected him to fend for themselves. In response, voters fled the Democratic Party to become Independents. Had 'socialism' been their concern, they would have joined the Republican Party. But they didn't. Data Source: gallup.com.

The idea that Democrats prefer divided government should be uncontroversial given their modern history. Barack Obama entered office in 2009 with Democratic control of the House and Senate. He promptly reneged on his campaign promise to organized labor to support ‘[card check](#),’ passed an [inadequate stimulus program](#), forced the [costs of the foreclosure crisis onto mortgage borrowers](#) rather than the banks, and midwifed a [Republican health insurance sales scheme](#) through Congress. Voters promptly handed control of the House back to Republicans. It was ‘Republican obstruction’ that salvaged Mr. Obama’s liberal legacy.

The claim that Mr. Obama was hamstrung by Blue Dog Democrats ignores that he could have taken the case for his programs to the people who elected him to garner political support. He chose instead to hold closed meetings with lobbyists and industry insiders. The predictable result was programs written by and for industry insiders. Health insurance executive [compensation skyrocketed](#) after implementation of the ACA. Not only is this corporate brokerage form of governance anti-democratic, it gives corporations state-organized power over people’s lives and livelihoods.

Revisionist and Party insider accounts of the Democrat’s loss of the House in 2010 center around the perpetual ‘moved too far left’ canard. However, as the evidence has it (graph above), Democratic voters fled the Party to become Independents. Had moving to the ideological right been their objective, the received wisdom has it that they would have joined with Republicans. But they didn’t. Republicans saw [no pickup](#) from those leaving the Democratic Party. Independents are the ‘none of the above’ go-to. If Democrats imagine in 2020 that this demonstrates the power of partisan slander against the Left, the evidence isn’t with them.

Barack Obama 2008	
<u>Industry</u>	<u>Campaign Contributions</u>
Lawyers & Lobbyists	\$47,722,009
Finance, Insurance & Real Estate	\$43,744,789
Misc Business	\$34,036,372
Communications/Electronics	\$29,055,271
Health	\$22,471,562

Graph: The American distinction between politics and economics reinforces the view that ideology drives politics. However, and following from the work of Thomas Ferguson, campaign contributions appear to motivate ‘ideology’ quite precisely. Barack Obama received the bulk of his 2008 campaign contributions from professional lobbyists, the F.I.R.E. sector, and the healthcare industrial complex. The major accomplishment of his time in office was to make the executives of these industries richer than they were when he entered office. Source: opencrets.org.

The claim that ideology has anything to do with official policies is difficult to reconcile with how directly campaign contributions tie to policy outcomes. Mr. Obama's first major act as president was to deliver consequence-free bailouts to Wall Street. His second was passage of industry-friendly healthcare 'reform' that gave health insurers a mandated customer base and made industry executives rich. Framing these as being 'too far left' is mischaracterization with a purpose. Given the Republican's historical fealty to corporate interests, their only possible complaint regarding industry giveaways is that Mr. Obama beat them to it. In this case, the charge of 'socialism' was cynical misdirection intended to deceive gullible voters. Given the straightforward economic explanations for Mr. Obama's policies— specific industries gave him campaign contributions and he repaid the favor with favorable legislation, how do these outcomes not fall on the corporate-right side of the ideological spectrum? A Left program would have excised, or reduced to playing a supporting role, private interests from healthcare provision. And in fact, after the implementation of Obamacare, the U.S. still has the worst healthcare outcomes at the highest cost in the so-called developed world. Matching who benefited from the ACA against these outcomes, it is clear that 'healthcare' was perceived as a wealth and power delivery device for corporate executives and politicians.

Amongst the 2020 crop of Blue Dogs who are claiming that socialism killed their electoral prospects, similar hidden motives prevail. Representative Jim Clyburn, who 'brokered' the Black vote in South Carolina to shift the Democratic primary to Joe Biden, received the bulk of his 2019 – 2020 campaign contributions from the insurance and healthcare industries and Wall Street. That he is now complaining loudly that Medicare for All drove away voters finds him shilling for his campaign contributors using the ruse that programs in the public interest are 'ideological,' but that his service to his campaign contributors isn't.

Jim Clyburn (D-SC) 2019 – 2020 Campaign Contributors

Industry	Total	Individuals	PACs
Lawyers/Law Firms	\$225,154	\$168,154	\$57,000
Insurance	\$183,171	\$44,921	\$138,250
Health Professionals	\$144,222	\$39,222	\$105,000
Securities & Investment	\$130,867	\$55,867	\$75,000
Electric Utilities	\$125,505	\$3,005	\$122,500

Table: Representative Jim Clyburn played a central role in the 2020 Democratic primary to oust Bernie Sanders. And he is claiming that the worst healthcare outcomes in the developed world is the best that Democrats can deliver. That Mr. Clyburn's campaign contributors are the insurance and healthcare industries suggests that he views the health of his nominal constituents as bargaining chips for his own benefit. Mr. Clyburn gets to have a career as a politician so that his constituents can get substandard healthcare. Source: [opensecrets.org](https://www.opensecrets.org).

'Socialism,' as a descriptor, has wildly different meanings as it is used by political operatives, the Republican right, and self-described socialists in the U.S. What Democrats refer to when

dismissing it is the Republican right's conception as it has filtered through the public consciousness. Its central components according to the Republican right view are 1) autocratic government control 2) that taxes justly earned income and wealth 3) to redistribute it to underserving people. This was Rush Limbaugh's conception when he started as a right-wing comic in the early 1970s. And while the distinction between deserving and underserving people has generally meant that it is the poor who are underserving, the idea is more fluid than that. The Wall Street bailouts of 2009 were widely interpreted as being 'socialist,' even though it was the rich who were the direct beneficiaries.

Central to this conception of socialism is the idea of unjust taking. And unjust taking ties to the capitalist conception of just distribution—that if income lands in this person's pocket or that under capitalism, it was placed there by God / nature. The religious nature of this conception is important to understand. Implied is a perfectly ordered universe, one where individual action produces economic outcomes mediated by nature. The capitalist invests, workers produce, markets distribute, and through the benevolence of nature, each cog in this economic wheel receives its just and right reward, which equals the value of one's contribution to society.

This is similar to the modern conception of merit. Income distributed based on merit is just because it is merited. The capitalist / liberal 'opportunity society' assumes away existing power to posit that regardless of how economic power is distributed in the present, everyone has an equal opportunity—once differences in endowments are accounted for, going forward. Progressive taxation is therefore to take the most from the people who produce the most and give it to those who produce the least. The liberal view since the 1930s has been a 'compassionate conservative' version on this same idea. Capitalist distribution is just, goes the theory, but human kindness requires charity in the form of social welfare programs.

The theory of unjust taking through taxation includes 1) autocratic government control 2) that is used to redistribute justly earned income and wealth 3) to underserving people. If this reads like the oligarch-crank circa 1913's explanation of all taxation, congratulations, you're on to something. This isn't just Nietzsche's resentment, as the educated classes imply when soiling themselves over 'deplorables.' It's Gramsci's hegemony as the legitimating philosophy of the ruling class as it filters through the capitalist class structure. The Republican right's view is capitalist social philosophy.

Since the 1970s, liberal / neoliberal reforms have been squeezing working people. The rise of women in the workforce discounted 1) that most had already been working doing unpaid household labor, 2) that this labor is essential to social reproduction, and 3) that the household labor still needed to be done. This imposed additional costs that aren't deducted from measurement of the rise in household income that two income households generate. Neoliberal programs designed to cut real wages and benefits like tiered workforces,

offshoring and, ending the power of organized labor, meant that workers have been working longer hours with declining employment security and falling real wages.

When talking economics with working class Republicans, general agreement can be found regarding the nature of these problems. People are working harder for less in return. Where differences arise is over the causes. From environmental regulations that threaten livelihoods, to taxation levels for middle income earners that have stayed constant or risen as real wages have fallen, to trade agreements that benefit bosses while screwing workers, ‘big government’ is the problem, goes the thinking. While there are racist, classist and nationalist subtexts to these analyses, they are couched in the language of economic resentment. However, the claim that racism is the root explanation is what it purports to be a critique of. Why would anyone claim that economic grievances are baseless without knowing whether or not they are?

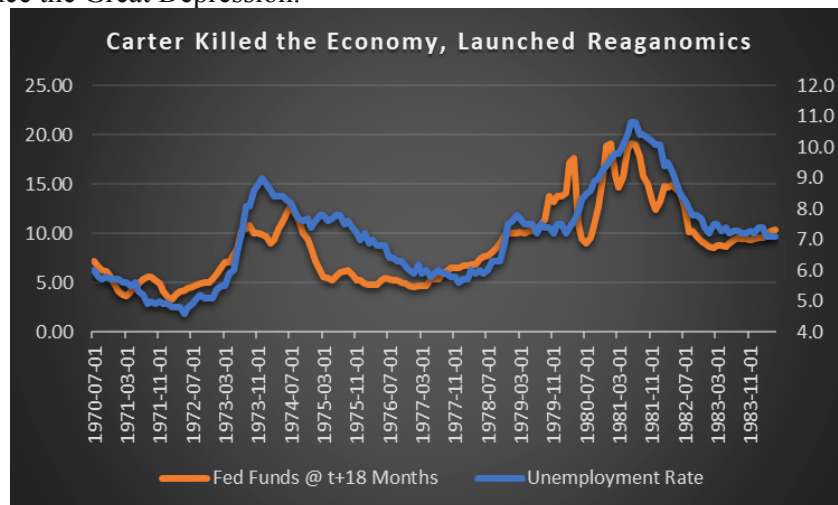
As far as they go, these are legitimate grievances in each of their respective dimensions, save for the scapegoating. The environmental regulations enacted in the 1970s were oblivious to the ability of industrialists to respond with capital strikes and offshoring. As taxes were being cut for the rich and corporations, they rose in real terms for middle income and working-class workers who were experiencing longer hours, falling real wages and disappearing benefits. And trade agreements provided incentives and the legal means for offshoring. Later, they boosted monopoly power— and with it consumer costs, to benefit the rich at the expense of working people.

When Democrats, Blue Dog or otherwise, assert that socialism is an electoral loser, what they mean is 1) neoliberal economic programs mischaracterized as ‘socialist’ are electoral losers, and 2) that they accept the Republican right’s conception of socialism because it serves their purposes. Because the Right perceives Democrats such as Jim Clyburn to be socialists, his service to healthcare and insurance industry lobbyists and executives further reinforces the ‘socialism = screwing ordinary people’ formulation. Barack Obama played no part in how his programs were characterized by the Republican right. But his bailouts of Wall Street are central to the conception of socialism that the Republican right rank-and-file viscerally despises.

How the U.S. got to the position where establishment Democrats ritually punch left following an election has both a Democratic Party version and actual history. The Democratic Party myth has it that through deference to the hippie-Left, the limp and feckless Jimmy Carter was unable to overcome ‘Republican obstruction’ as he combined spineless foreign policy with touchy-feely economics to sink the Democrats. In fact, Carter started the neoliberal revolution with deregulation of industries that had been considered quasi-public utilities. His hawkish foreign policy alienated the anti-war Left. And his appointment of Paul Volcker to head the Federal Reserve created the conditions for the age-of-Reagan.

Late in Carter's only term he faced the related political problems of the Iranian Revolution and high inflation. Iran had been a client state of the U.S. In 1979 the Iranian people tired of the U.S. installed autocrat, the 'Shah,' Mohammad Reza Pahlavi, and organized a revolution to be rid of him. The Revolution caused an oil shock that sent oil prices soaring, and with it inflation indices that incorporated oil prices into their measurements. At the time, labor contracts contained COLA's (Cost of Living Adjustments) that automatically raised pay levels to adjust for inflation.

Industrialists, and the emerging neoliberal consensus— of whom Jimmy Carter was an early acolyte, saw an opportunity to break organized labor through the mischaracterization of the Iranian Revolution through an economic lens. As a geopolitical event, the Revolution would have a temporary economic impact. Once the dust settled, oil prices would decline and the problem of 'inflation' would be solved. However, to crush organized labor, the problem of inflation, irrespective of the temporary impact of the Revolution, had to be 'solved.' Mr. Carter appointed Paul Volcker to head the Federal Reserve to end the threat of inflation. Mr. Volcker did so by crushing the U.S. economy— for four years. Unemployment reached levels not seen since the Great Depression.



Graph: The idea that Jimmy Carter lost the 1980 election because he 'was too far left' ignores that he purposely engineered the worst recession since the Great Depression just as he was launching his reelection campaign. Mr. Carter appointed banker Paul Volcker to the Federal Reserve to stop inflation that was the result of an oil shock caused by the Iranian Revolution. On election day 1980 unemployment was high and rising rapidly. Reagan won the election and saw to it that Mr. Volcker was out of the way in time for his own reelection bid in 1984. Source: St. Louis Federal Reserve

Paul Volcker raised interest rates to nosebleed levels going into Jimmy Carter's 1980 reelection campaign. Mr. Volcker engineered what at the time was the worst economic downturn since the Great Depression. The industrial economy was devastated, unemployment soared, COLAs were ended and organized labor never recovered. Reagan won the 1980

election and oversaw three year of vicious recession that Mr. Volcker saw fit to end in time for his reelection campaign in 1984. Reagan was reelected. And Reaganomics was credited with saving the economy. That all it took was for Paul Volcker to stop killing the economy is the missing link in the Democrat's mythology.

That Democrats have been able to turn this foundational myth into a four-decade paean to Reaganomics speaks to the economic forces motivating neoliberalism, not to the substantive basis of the myth. Carter's real crime in the eyes of the DC establishment was probably letting Willie Nelson smoke weed on the roof of the White House, a cultural faux pas that had no bearing on Mr. Carter's rightward-leaning political program. The idea that Carter sank the fortunes of the Democrats because he 'went too far Left,' rather than because he led the country into an economic depression as he was facing reelection, is too improbable for words. Younger political commentators who take the establishment Democrats at face value are being rolled. Few, if any, Congressional Republicans believed that Barack Obama's policies were 'socialist.' But they proclaimed that they were every day for eight years. The 'too far left' crowd of Democrats is signaling their allegiance to the establishment party line in DC. A natural experiment would be to take away the money and see who says what afterwards. But the oligarchs and corporate overlords aren't going to let that happen. Money is their leverage. It is the source of their power.

NOVEMBER 20, 2020

Rob Urie is an artist and political economist. His book [Zen Economics](#) is published by CounterPunch Books.