## REMAPPING DEBATE Asking "Why" and "Why Not"

## Neither rain nor snow nor occupy...

Commentary | By Craig Gurian | Politics

Nov. 16, 2011 — Yesterday's "clearing" of the site of the Occupy Wall Street protest in New York is for many a moment to reflect on what protests can and cannot accomplish. There is little question that, in the short run at least, the protests catalyzed greater discussion about income and wealth inequality, and about the scope of corporate power. But the fact that the center of gravity in the Congress and the press remains stuck on seeing how safety net programs can be cut and corporate tax rates reduced is very sobering (or at least it should be).

It may seem like a long time ago, but the Bush tax cuts for the wealthy were scheduled to expire at the end of 2010. Democrats talked themselves into believing that they couldn't afford to let that happen.

Democrats never seem to learn that playing on the opposition's turf has real consequences. When you accept the opposition's premises, you are already halfway to defeat. Then President Obama spent most of 2011 peddling the GOP line that deficits were an urgent crisis. From Bowles-Simpson to the high drama of the fight over the debt ceiling, much of the press was addicted to the idea that there could be — and should be — a "grand bargain."

More recently, and likely spurred by Occupy protests, there has been more media attention to the widening gap between haves and have nots in the United States. In some countries, this might have been the moment for the party that holds itself out as the friend of ordinary Americans to push a substantive agenda consistent with progressive values.

Here, however, all we get from the congressional Democratic leadership are pleas to Republicans to accept a deal that includes cuts to Medicare and Medicaid (and, perhaps, to Social Security). Is there a substantial amount of posturing, of hoping not for a deal but to make sure that Republicans are blamed for lack of a deal? Of course. But Democrats never seem to learn that playing on the opposition's turf has real consequences. When you accept the opposition's premises, you are already halfway to defeat.

It's happening again on taxes, too. Listen to some leading Senate Democrats and you will get the idea that using the threat of the automatic expiration of the Bush tax cuts as "leverage" is great strategy. In fact, however, it is only a great strategy for negotiating against themselves. It is really the case that the cuts will expire at the end of 2012 without the Democrats having to give anything away, but then they begin to recite the incantation of the need to show "flexibility," and any line drawn in the sand somehow gets erased.

And, as we approach the deadline for the congressional "super committee" to act on a deficit reduction plan, there are more deadening assumptions charging back into prominence.

One was particulary well-expressed by Adam Davidson in Sunday's New York Times Magazine, where he asserted that "everyone agrees that corporate taxes should be lowered." The othodoxy:

The cardinal rule of taxation is that whatever you put a levy on, you'll inevitably get less of. Taxing corporate activity means less investing, less hiring, fewer jobs and a smaller economy, which hurts the rich, the poor and the middle class alike.

Not so fast. Corporations invest when they believe that doing so will be profitable, and increased taxation doesn't make investing unprofitable for a healthy business. Corporations don't invest when, as now (a period when their effective tax rates are at or near historic lows) they believe that doing so will not be profitable (in large part because of lack of consumer demand).

What can't be denied is that lots of elected Democrats believe (or pretend to believe) the orthodoxy. That is why it is so difficult to separate the question of getting rid of loopholes from the question of reducing rates. While organizations like Citizens for Tax Justice argue for "revenue-positive" corporate tax reform (that is, closing loopholes without lowering rates), that position is heresy for the Obama Administration and much of the Democratic congressional leadership.

All this puts protesters in a very difficult position. I know that it wasn't the job of Occupy protesters to cause Democratic elected officials on the national level to gravitate towards the "99 percent," just as I know that the process of building a larger movement — as conservative Republicans have shown — can take decades.

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But I also know that it is unlikely that many Occupy protesters would be happy with the idea that it might be 2032 before substantial change is effected; I know I'm not.

What seems most clear at the moment is that the Democratic party seems remarkably impervious to change except from those forces seeking to push it further to the right. It is hard to imagine many people having a reservoir of patience for that lack of leadership.

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