

REMAPPING DEBATE

Asking "Why" and "Why Not"

Second kudo for NYT's Kocieniewski

Kudos | By Remapping Debate | Budget deficit, Corporate influence, Taxes

June 22, 2011 — Remapping Debate isn't shy about critiquing [centrist-premised, don't-bother-with-assessing-the-truth reporting in The New York Times](#). Like others, we see the Times as having an institutional responsibility to do more than report that there is a big disagreement about whether the sky is blue (and that centrist Democrats are warning that their party should not be overly aggressive in pushing the sky-is-blue position).

On Monday, [in a story on U.S. corporations and their allies seeking a tax break](#) ostensibly designed to raise federal tax revenues by encouraging corporations to bring home, or "repatriate," massive profits earned in overseas operations, the paper did its job.

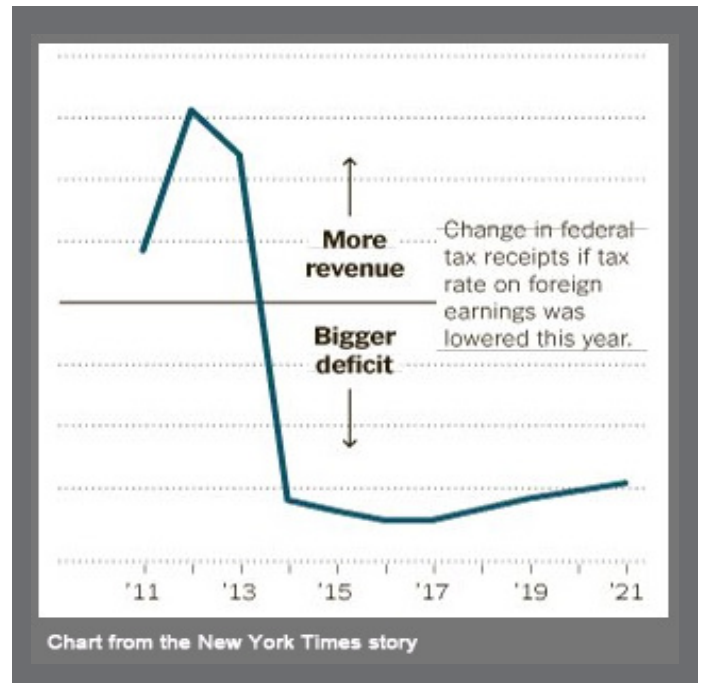
The reporter who was able to put competing claims in perspective so that readers could assess what was going on and actually come to know something? David Kocieniewski, the recipient of a previous kudo from us for his story on how [corporations like General Electric save massive amounts of money by gaming the tax system \(at the same time that they shed jobs in the United States\)](#).

In Monday's piece, Kocieniewski did report the assertions that the tax holiday would yield a windfall to the Treasury and serve as a job-creating stimulus package.

But then he compared the claims to reality, aided by the fact that we've been down this road before:

[T]hat's not how it worked last time. Congress and the Bush administration offered companies a similar tax incentive, in 2005, in hopes of spurring domestic hiring and investment, and 800 took advantage.

Though the tax break lured them into bringing \$312 billion back to the United States, 92



percent of that money was returned to shareholders in the form of dividends and stock buy-backs, according to a [study by the nonpartisan National Bureau of Economic Research](#).

Instead of he-said, she-said, in other words, Kocieniewski provided some historical perspective.

If he was only serving a stenographic role, he might have simply reported the recent claim of a spokesman for Merck, the large pharmaceutical company, that the previous tax break for repatriation of profits was used for “U.S.-based research and development spending, capital investments in U.S. plants, and salaries and wages for the U.S.”

But this reporter thought it important that readers have information to help them assess the truth of this claim: “According to [regulatory filings](#),” Kocieniewski wrote, “the company cut its work force and capital spending in this country in the three years that followed.”

And it is also important for a reporter not to be captive of the framework that a proposal’s sponsors present. In this case, corporate tax break proponents want to focus on potential short-term benefit to the Treasury. But money captured in one year cannot be captured thereafter, and if it is captured at a lower rate, there is an aggregate loss to the Treasury, a point well illustrated by one of the article’s excellent graphics (see one element of “A Boon for Companies...but Not for the Government,” to the right).

Outgoing Executive Editor Bill Keller is still [clinging to the idea](#) that one can neatly separate the job of informing the public from that of helping people “see things in unexpected ways.” But Kocieniewski’s lead story showed clearly that the public can be well informed only if neither the reporter nor his story is captive to the *expected* and deferential way of crediting narratives being peddled by powerful interests.

This content originally appeared at <http://remappingdebate.org/article/second-kudo-nyts-kocieniewski>