

# From "Hope" to Hopeless: The Democrats' Debacle

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FOR MORE THAN A YEAR, it had been obvious that the Democrats would face a debacle at the polls on November 2. And they did. In the largest congressional midterm landslide since 1938, the Republicans captured more than 60 seats, ending the four-year Democratic majority in the House of Representatives.

As expected, the GOP failed to gain the U.S. Senate. But that was the only consolation for the Democrats. The Republican sweep was so broad that the GOP now holds 19 state legislatures outright, 29 governorships, and the largest percentage of state legislative seats since 1928.[1] Ironically, as a result of the worst recession since the Great Depression, the Republicans now hold more power at the state level since before the Black Tuesday crash of 1929!

Because the GOP landslide/earthquake/tsunami (pick your meteorological metaphor) was wholly expected, the explanation for it was not hard to discover either. The explanation, of course, starts with the dire state of the U.S. economy. No incumbent party presiding over nearly 10 percent unemployment could hope to win accolades from millions of the unemployed and underemployed.

Although the GOP touted its gains as proof that Americans have rejected President Obama's "socialist" agenda, rejection of the Democrats had a less ideological explanation. Only two years after the economic crisis punctured all the neoliberal and conservative myths about the free market, and gave a Democratic administration the opportunity to change course, it seemed that not much had changed. Obama and the Democrats assumed the role as saviors of the corporate system facing the abyss in late 2008 and early 2009. Even though the Obama administration was not the originator of the massive bailouts of the Wall Street banks and the likes of insurance giant AIG, it became the chief defender of those programs.

It's very likely that the massive government backing of the financial system saved it from meltdown, but that is cold comfort for the majority of Americans who continue to suffer high unemployment, loss of retirement wealth, and a massive foreclosure crisis. Obama and the Democrats legitimized massive government spending without changing any of their neoliberal assumptions. Instead, the administration has pursued a kind of "neoliberal Keynesianism"—putting trillions of taxpayers' dollars at the disposal of private business, and trying to "incentivize" it to carry out social policy. It hasn't worked. The banks and big corporations have been happy to take the money, but they haven't committed to lending it, saving homes or hiring workers.

As critics like liberal economists Paul Krugman and James K. Galbraith pointed out, the stimulus plan passed in early 2009 was too small and ill designed to lift the economy out of its deep hole.[2]

Unemployment continued to rise under Obama, feeding the public perception that "government" and "government spending," was ineffectual. If the crisis of 2008 had discredited neoliberal nostrums, the continued crisis of 2009 and 2010 appeared to discredit liberal, "big government" solutions. Sixty-five percent of midterm voters told exit pollsters that the 2009 stimulus package either hurt or had no impact on the economy.[3]

Meanwhile, opinion polls have registered some concern about the federal deficit. While the GOP claims this as support for its austerity program, public opinion experts note that concern about "debt" and "the deficit" is a proxy for concern about U.S. economic decline, and the sense that no one in charge—either in Washington or in Corporate America—cares much about how ordinary people are suffering.[4] Once upon a time, official liberalism appeared to stand on the side of "the people." Today it seems incapable of mustering much passion for ordinary people. It's nothing short of scandalous that the Republicans could filibuster an extension of unemployment benefits for two months last summer, causing misery for millions, without the Democrats being able to make them pay for it politically.

If Obama and his neoliberal economic team of Treasury Secretary Timothy Geithner and soon-to-be-departed economic adviser Lawrence Summers botched the public's chief priority — namely jobs — the administration also seemed to go out of its way to alienate its most ardent supporters.

Obama stiffed environmentalists when he endorsed the GOP's "drill, baby, drill" solution to offshore oil drilling—only a few weeks before one of those offshore oil rigs caused the largest environmental catastrophe in U.S. history. For supporters of immigrant rights, the Obama administration has mouthed rhetoric in favor of "comprehensive immigration reform" while indefinitely postponing legislation, and deporting more immigrants than George W. Bush's administration did. Obama has dragged his feet on ending the "don't ask, don't tell" policy against gays in the military, despite overwhelming support in the public and even among the military brass to get rid of it. On top of this, the Obama administration has escalated war in one country (Afghanistan), and is still committed, despite claims of withdrawal, to a sizable military presence in another (Iraq). Even in what was supposed to be its signature achievement, the passage of health care reform, the administration managed to rile up conservatives who agitated against a "government takeover of health care" while alienating advocates of genuine health reform. The bill that emerged from the Congressional sausage factory was so hedged with concessions to the pharmaceutical, hospital, and insurance industries that its costs may outweigh its benefits. No wonder a recent Associated Press poll found that four in 10 adults said they didn't think Obama's health reform went far enough.[5]

All of this produced what pollsters and pundits referred to as "the enthusiasm gap," between conservative voters who couldn't wait to throw the Democratic bums out and the traditional Democratic "base" groups (such as youth, African-Americans and trade unionists) who showed much less interest in the election than they did in 2008. Patricia Elizondo, president of a Milwaukee International Assn. of Machinists local, told the *New York Times* that the union had trouble motivating its members to get out the vote for the Democrats. "People have been unemployed for two years, and they're unhappy that the health care bill was not as good as they expected," she said. "Two years ago, I had many members going door-to-door to campaign. Now they're saying, 'Why should I? We supported that candidate, but he didn't follow through.'" [6]

ABC's polling expert Gary Langer calculated that 29 million Obama voters in 2008 stayed home during the midterms, compared to 19.5 million McCain voters in 2008.[7] Consequently, the electorate that turned up on November 2 was much more white, wealthy, old, and conservative than either the 2008 electorate or the U.S. population as a whole.

## Crawling from the Wreckage

AS A RESULT, the Washington political establishment that emerged from the November 2 elections will be considerably more conservative than the current one. The right wing—in the form of the Republican Party and perhaps various organizations of the supposedly grassroots Tea Party movement—will have a bigger say in shaping the national agenda. Republican big wigs like House-Speaker-to-be John Boehner of Ohio and Rep. Mike Pence of Indiana made noises about refusing to compromise with the White House. Senate Minority Leader Mitch McConnell told the *National Journal* that his main mission in the coming two years was to assure that President Obama would be a "one-term president."

It remains to be seen whether this trash talk will be turned into action. Tea Partiers and Republicans have gotten far by railing against "Obamacare" and "out-of-control spending" without having to take positions that would be unpopular if they really spelled them out. Now, the Republicans face the prospect of translating their opposition to government spending and support for deficit cutting into concrete proposals.

When they get concrete, they're likely to disappoint their most fervent Tea Party backers. The *New York Times*' Frank Rich pointed this out: "What the Tea Party ostensibly wants most—less government spending and smaller federal deficits—is not remotely happening on the country club GOP's watch. The elites have no serious plans to cut anything except taxes and regulation of their favored industries." [8] The majority of Republicans who will be elevated to the Congress aren't inexperienced, fire-breathing ideologues, but veteran Republican politicians—even if they did latch onto the Tea Party. [9] They're certainly a conservative lot, but they come fully marinated in the corrupt corporate-funded culture that surrounds both major parties.

Rich's point about the differences between the Tea Party base and the establishment Republicans who claim to speak for it is worth keeping in mind. But it's false to claim that the Republican establishment doesn't have any "serious plans" for austerity. It does. If it can get away with it, it wants to throw millions of the long-term unemployed off extended benefits, and it wants to slash spending on health care for the poor. Likewise, the Tea Party fringe may not get all that it wants from the GOP—but it has already shaped, at least in part, the national political debate. It has provided the Republicans with a "populist" gloss for their demands to further gut the social safety net.

Tea Party agitation has also helped legitimize a number of far-right ideas—from denying citizenship to children of undocumented immigrants to the idea that American Muslims want to impose sharia law on the U.S. judicial system. These wacky ideas won't become law, but the right's bigoted rhetoric can further poison the public debate on these issues—and give license to far-right hate groups who thrive on attacking immigrants and Muslims.

So make no mistake—the Republicans can do plenty of damage. But as long as the Democrats hold the presidency, the damage can be limited—if the Democrats want to "guard the change," as they promised during the election campaign. That's the more crucial question.

In the lead-up to the election, the Obama administration, from the president on down, sent out two contradictory messages. On the one hand, Obama and White House spokesman Robert Gibbs attacked the Democrats' core supporters for, essentially, expecting too much from 2008's Mr. Hope and Change. At the same time, Obama was making nice with the Republicans, urging them yet again to reach across the aisle to find bipartisan solutions.

Obama, the "centrist," was setting the stage for his own planned shift to the right after the

election. He was positioning himself—as Bill Clinton did in 1995 and 1996—as the sensible actor, working in a bipartisan fashion to enact policy over the objections of the Tea Party crazies and the "far left," as the media describe the liberal wing of the Democratic Party. Obama did nothing to dispel this expectation with his post-election press conference, where he proclaimed himself "humbled" and willing to listen to Republican proposals on a range of topics.

### **Triangulation and Austerity**

AFTER THE HOOPLA of the election dies down, the first major development to look for is the report of the president's National Commission on Fiscal Responsibility and Reform. The commission, appointed jointly by Obama and the leaders of both parties in Congress, is supposed to make its recommendations on December 1. It's stacked with deficit hawks who are likely to propose sharp and unprecedented cutbacks in social entitlement programs like Medicare and Social Security.[10]

The commission's proposals are likely to shape the debate on federal spending that will ensue after the new Congress assembles in January. Obama has already said that "everything must be on the table," indicating that no program, including Social Security, will be considered safe from cutbacks. Obama and the Democrats have already ceded so much ground that any sort of Clintonite triangulation will amount to meeting the Republicans halfway on *how much* to cut programs like Social Security, not whether to cut in the first place.

During the election campaign, most Republicans didn't have the confidence to detail the kind of cuts in entitlements they would like to force. But an assist from the bipartisan commission and from Obama could make cutting Medicare or raising the Social Security retirement age seem like the "centrist" way to go. And if liberals and Democratic "base" groups protest, Obama will attack them with the same rhetoric he used during the campaign.

Even on policies where the GOP and Democrats have more initial agreement—say on spending for infrastructure development or education reform—these will likely come with huge concessions to neoliberal ideology, such as expanded privatization and assaults on labor organization. And this is because the Democrats, no less than the Republicans, are committed to neoliberalism.

Facing the coming onslaught, the leaders of many unions and advocacy groups for civil rights, women, LGBT people and the poor, will be tempted to cling even more closely to the Democrats and Obama. But if the last two years have shown anything, it's the perils of that strategy.

### **What Do We Do Now?**

FOR MUCH OF OBAMA'S TERM, the leading liberal organizations—like the AFL-CIO, the NAACP, and the Human Rights Campaign—have played "good soldiers" in trying to carry out the White House's agenda. As a result, there has been no sustained national effort to give voice to millions facing economic devastation today. Instead, the only "movement" seemingly validating popular anger is the right-wing Tea Party. It's bad enough that the Right has seemed to capture the "populist" tenor of the times, but popular organizations that should have been mobilizing to press the administration were instead pressed into service as the last line of defense for a corporate party than disdains them.[11]

The Democrats decried the millions in secret corporate money that flooded into the elections industry following the Supreme Court's *Citizens United* decision. At the same time, *Citizens United* freed union treasuries to spend unlimited sums on the Democrats. Thus, the *Wall Street Journal* was delighted to report that a last minute contribution to the Democrats from the American Federation of State, County and Municipal Employees actually made AFSCME—not the Chamber of

Commerce—the largest contributor in the 2010 election cycle.

"We're the big dog," AFSCME's Larry Scanlon told the *Journal*. "But we don't like to brag." But this big dog ended up with its tail between its legs. After threatening for months to punish Democrats who opposed labor priorities like the Employee Free Choice Act and the "public option" for health care reform, AFSCME backed conservative Democratic incumbents like Ohio's Zack Space.

"We know he has been bad on the issues, but the point is, if you don't elect the Zack Spaces of the world, then you end up with Speaker Boehner," said Scanlon.[12] Unfortunately for working people, the sums of money that unions threw away on corporate America's second favorite party took away from other more important tasks, like organizing or mobilizing for jobs. [For the record, Space lost by 14 percentage points, and we're still going to end up with Speaker Boehner.]

Despite their grave disappointment in Obama and his administration, liberals and Democratic Party-oriented members of the left urged a vote for the Democrats in November. Long-time labor and civil rights activist Bill Fletcher, Jr., a board member of Progressive Democrats of America, made this appeal in the week before the election:

Well, we are now facing a moment of truth. This is not the boy who cried wolf. In addition to the Democratic Congress as a whole being under assault from the Republicans, there are some liberal and progressive Democratic elected officials who are under siege, and about whom we should be concerned. There is an energized, right wing army waiting to turn back the clock. So progressives should be enthused right now — enthused to defend our friends, but also to defeat our enemies.[13]

Fletcher's "left" rhetoric simply covered for the standard appeal to vote Democrat as the "lesser of two evils." And as the socialist Hal Draper taught us years ago, when the left casts its lot with the Democrats, it's merely admitting its own marginalization and poverty of vision. "...[T]he Democrats have learned quite well that they have the lib-lab vote in their back pocket . . . With the lib-lab votes in a pocket, politics in this country had to move steadily right-right-right . . . This is essentially why—even when there is a Lesser Evil—making the Lesser Evil choice undercuts any possibility of really fighting the Right." [14]

Admittedly, left-wing political alternatives to the Democrats are weak today. The nominal third party, the Working Families Party, endorsed the New York Democratic slate, including the union-bashing Governor-elect Andrew Cuomo. In genuinely independent efforts, Illinois Greens ran a full slate of statewide candidates, winning about 3 percent of the vote. Veteran socialist Dan La Botz and Green activist Howie Hawkins ran spirited statewide campaigns for office in Ohio and New York, respectively. With tremendous odds against them, these campaigns were able to put forth a political alternative to the two parties of big business.

Despite the weakness of organized left politics, it's worth remembering that two recent national opinion polls — including one by the conservative Rasmussen Reports — have shown that more than one-third of Americans have a positive view of "socialism." Gallup found 36 percent of Americans voicing positive views of socialism. Compare that to the 18 percent of Americans who identified themselves as Tea Party supporters in a *New York Times*/CBS survey of the movement.[15] Who would have thought that in center-right America, potential supporters of socialism outnumber Tea Party supporters by two to one?

These statistics tell us that there are millions of people who could potentially be mobilized

against the coming onslaught from the Right. We face the challenge of building organizations to fight effectively for working people's demands. But we also face the challenge of building a mass-based left wing political alternative to the Democrats. Without that, we will continue to find ourselves facing the same Hobson's choice between "terrible" (the GOP) and "not as bad" (the Democrats).

## Footnotes

1. Keith Johnson, "State-Level Wins Augur More GOP Safe Seats," *Wall Street Journal*, November 4, 2010.
2. See James K. Galbraith, "It Was the Banks," November 5, 2010.
3. For an analysis of exit poll data, see Ruy Teixeira and John Halpin, "Election Results Fueled by Jobs Crisis and Voter Apathy Among Progressives," Center for American Progress Action Fund memo, November 4, 2010.
4. For an interesting discussion about the real meaning of ordinary peoples' concerns about the deficit, see Ryan Grim, "Mayberry Machiavellis: Obama Political Team Handcuffing Recovery," *Huffington Post*, July 6, 2010,. Even the conservative 2010 electorate was split, with roughly similar numbers of those surveyed calling for the government to prioritize deficit reduction and calling for increased government spending to create jobs.
5. See "The Associated Press 2010 Health Care Reform Survey by Stanford University with the Robert Wood Johnson Foundation, conducted by Knowledge Networks", August 31-September 7, 2010.
6. Elizondo quoted in Steven Greenhouse, "Unions Find Members Slow to Rally Behind Democrats," *New York Times*, September 17, 2010.
7. Gary Langer, "Obama's No Shows: 29 million," ABC News.
8. Frank Rich, "The Grand Old Plot Against the Tea Party," *New York Times*, October 30, 2010.
9. See the analysis of political scientist Brendan Nyhan, "How Much Are Tea Party Candidates Hurting the GOP?" October 22, 2010.
10. A preview of the commission's report—which takes aim at Social Security, Medicaid, and the federal workforce—came with the November 10, 2010 release of the wish list of commission co-chairs Erskine Bowles and Alan Simpson. See Megan Carpentier, "Fiscal Commission Co-Chairs Simpson and Bowles Release Eye-Popping Recommendations," Talking Points Memo, November 10, 2010.
11. The October 2 "One Nation" rally organized by a coalition of groups, including the AFL-CIO and the NAACP, brought out hundreds of thousands of working people. But instead of making the rally a focal point in a fight for jobs, the organizers kept its focus on getting out the vote for the Democrats.
12. Brody Mullins and John D. McKinney, "Campaign's Big Spender," *Wall Street Journal*, October 22, 2010.
13. Bill Fletcher, Jr., "Enthusiasm?: I Am Not Interested in Things Getting Worse! October 27, 2010.

14. Hal Draper, "Who's Going To Be the Lesser Evil in '68?" reprinted in Lance Selfa, *The Democrats: A Critical History* (Chicago: Haymarket Books, 2008), 199-205.

15. See Gallup, "Socialism Viewed Positively by 36 Percent of Americans," February 4, 2010,; Kate Zernike and Megan Thee-Brenan, "Poll Finds Tea Party Backers Wealthier and More Educated," *New York Times*, April 14, 2010.