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Take Back America Conference
Campaign for America's Future / Institute for America's Future

Plenary: A Program for a New Majority
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Thank you. I just want to let all of you know because I worked so closely with him what a extraordinary leader of labor and the progressive movement in this country, John Sweeney is. He seems like a gentle grandfatherly figure; an iron fist is behind there.

My assigned topic is the economy. I have a message, I don't want to be disrespectful, I want to say something to George W. Bush, our president. It's the economy, "Stupid." Obviously there are a lot of ways we can indict and should indict and will indict the Bush Administration. But I will tell you something; the economy is number one issue on people's minds. And over the last two and a half years since George W. Bush became president we have lost in this country 2.5 million jobs in the private sector. That is a record of which no one should be proud. I am not blaming George W. Bush entirely. He is no more entirely at fault then Bill Clinton was entirely credit worthy with regard to creating 22 million new jobs. As Secretary of Labor at that time, I created 10 million myself personally. Thank you, thank you, thank you.

What this economy needs right now is something called a stimulus. Do you know what a stimulus is? It means a boost, a spur, a demand spur. Now here is the thing the White House is not clear on: if you give a huge tax break to people who are very rich, if you give every millionaire a \$103,000 a year tax break, they are not going to turn around and spend extra money, because the very definition of being rich is that you already spend as much as you want. You get the point—the only way to spur the economy, the only way to give a stimulus is to give a tax break or do something that puts more money in more people's pockets. Now what Democrats are saying and what Democrats will be saying and what progressives are saying, what we have to say louder and clearer, is that if we want to stimulate the economy, there are a couple things we can do and should do. Number one, we can help the states right now, because the states are \$80 billion dollars in the hole, they are cutting education, they cutting Medicaid, they are cutting healthcare. We have got to make sure that the states can actually help their people and their citizens, because not only is it a fiscal drag, but a lot of people are being very, very seriously hurt. Average working people, if they get a tax cut, they are going spend the tax cut, and therefore another way in which we ought to be stimulating the economy is, for example, to provide for an exemption on the first 15 to 20 thousand dollars of income from the payroll tax. As you know, 80 percent of

Americans pay more in payroll taxes than they do in income taxes. And so if we wanted to really spur the economy and get people money immediately in their pockets, we would say 15 to 20 thousand in the payroll tax is exempted from Social Security and if you want to make it up, then take the cap off payroll tax. Good idea!

There are other things we can do. Now what the Bush Administration says, when pressed on the stimulus, and I want you to all understand this—this is very important, we have to get the word out, you have to get the word out, because what they say when pressed on the arguments I've made, and I have made these arguments, in fact, I sometimes appear on these yelling programs on television. You know with Bill O'Reilly and Sean Hannity and I, they yell and I yell and I yell, and they and I don't even know what I say at the end of the program. But this, this is very important, if you are on one of these yelling programs or you are just watching them on television and you want to yell back or if you have Republican friends and you want to yell, make sure they understand that even Alan Greenspan and the current head of Congressional Budget Office, who was a Bush Administration employee, agree that the tax plan that was just enacted is not a stimulus to the economy. Then what is it, if it is not a stimulus to the economy? They don't want to admit it is just simply a big, big gift to the rich. What is it? What is the justification? Now this is very important. The justification that they use, they say, when pressed, this tax bill will generate more economic growth over the long term. This is supply-side, trickle-down economics.

Now we have been here before, we know something about trickle-down economics. Trickle-down economics is really trickle *on* economics, and we know that, we know that because we tried it. The Reagan Administration tried it in the 1980s and nothing trickled down, we got to the end of the 1980s and we got to the start of the 1990s and we had huge deficits. Remember \$300 billion as far as the eye could see. Bill Clinton, we came and the Clinton Administration in 1993 and we had to be there with a giant pooper scooper to clean up the mess of twelve years of Republican economics. And they are doing it again. I mean, George W. Bush says the average family is going to get a \$2000 tax break. Every time you hear Republicans talk about averages, watch your wallets. Shaquille O'Neal and I have an average height of 6 feet. You get my drift, you get my point. I mean, averages don't tell you what's helping the little guy. If people have a million dollars of income or more, are getting \$103,000, well you know that the little guy, the average working person, the typical, the median working person is getting about \$130 from this. This neither a stimulus nor is it trickle-down. Nothing is trickling down, if wealthy people have more money to invest, it is not necessary going to trickle down to more investment in the United States, because we are in a global economy, it is going to trickle out, wherever in the world they can get the highest return on their investments. That's not building up America. How do you build up the American economy? How do you build up the productivity over the long term of Americans? You invest in their education and their healthcare; you invest in their capacity to be productive.

That is not trickle-down economics, that is bubble-up economics, and what we ought to be talking about is how to build a strong economy over the long term, by investing in people. Because if we do that, everybody not only has a stake in our prosperity but we

widen the circle of prosperity and we build a sustainable America in terms of people who can be productive. That is what Democrats stand for.

Now, let me say just one final thing, that is there is a move among some people, some pollsters, some political consolers, some self styled political suit sayers, to say to the Democrats that what you really need to do, if you want to get back in power, what you really need to do, is move to the center. They say move to the center. Where is the center? Well you just consult with the pollsters; it is wherever the people are. Well here is the problem with that point of view. The people and center are not any particular place, you can't lead America, and you can't even suggest or pretend you are leading America if you are leading to people to where they already are. Because they're already there.

Now the Republican conservatives, I will give them credit, because they do not consult with their polls that much. They stick to what they know, stick to their values, those values are wrong, but they stick to their values. And we have to do and say what the public wants and what the public yearns for is people who stick their values and say what they believe and believe what they say and also people who come with a message that Americans themselves believe in. Now again, the polls, on specific issues fleeting, but ask Americans the following question, "Do you believe that people should be paid enough so that they can lift their family out of poverty, if they are working full time?" And an enormous number, 90 percent of Americans, over and over, for years said yes. "Do you believe that every American should be given an opportunity through education, to make the most of his or her God-given rights?" Americans overwhelmingly say yes. "Do you believe that there ought to be a minimum wage", In fact, I remember, we went to a minimum wage campaign, a lot of people said, you will not get a minimum wage increase, you will never get a minimum. Most Americans don't want it; it just affects the people at the bottom. I asked Dick Morris, the only thing I ever asked of Dick Morris. I said to Dick Morris, Dick, do a survey, find out what people think of minimum wage. He came back the next morning. I do not know how he did those surveyed that fast. He surveyed his family, I think that is what he did. He came back, he said, you know that is amazing, 85 percent of Americans believe that there should be an increase in the minimum wage because it is the fair thing to do. Ask Americans about healthcare, now when so many co-payments, and deductibles, and premiums are being pushed by employers onto people, ask them whether they feel there ought to be universal affordable healthcare. Overwhelmingly Americans say yes, there should be.

The values of Americans are with us and we are with the values of Americans. Not the individual little polls, don't get hung up in individual little polls, stick to the values. Stand up for what we believe in and above all, we've got to organize, and mobilize and energize. We have to not talk to each other, like we are today. Sometimes this is good, sometimes this gives us a chance that we are not lonely, we are not all out in the wilderness, we are not out there by ourselves, there are other people who feel like we do that is good, that is good, we need this, we need this, we need this. We also have to get out there and talk to other people who disagree with us, and we've got to organize and mobilize and energize. We've got to convince the people who have given up on

politics, that politics is the applied form of democracy. If you give up on politics, you give up on everything; you cede politics and democracy to the other side. We've got to say to people, who are escaping, denying reality, that escapism and denial and resignation and hopelessness are great enemies of genuine progressive change. We've got to reform, we got to mobilize, and energize, and organize. Say it with me. Organize, mobilize, and energize. Organize, mobilize and energize and we will win.

Thank you.