## <u>US Politics, Democratic Strategy, Midterms 2022</u> George Mandell, MPA

Bipartisanship is dead, according to US Senate Minority Leader Mitch McConnell. - Mitch views it is a zero-sum game and win at all costs and be damned with collateral damage to most Americans and the USA. Keep in mind that Mitch McConnell and Republicans blindly follow the myths of Donald Trump and how this golden cow is something to be worshiped regardless. This is a former President who encouraged a coup attempt in this country, and people died. Police officers on the frontline of duty. Let us not forget the 140 officers who were injured and traumatized. The Trump administration was arguably the most corrupt administration in US history. Tax breaks went to the rich and PPE money went to Trump and Republican supporters, little to minority business owners. As we are discovering through the NY AG criminal lawsuits, the Trump Organization is very much a mob operation. Trump himself, just a living sewer. Republicans are determined to obstruct all Democratic proposals and policies, using the filibuster as a cudgel in the US Senate. If Republicans succeed, Democrats likely have little to achieve that helps ordinary Americans. The Biden-Harris Administration and Democrats have priorities of an infrastructure plan and protecting voting rights, which may come to naught. Or worse still, be corrupted by a Republican controlled Congress and President later on.

What is the Democratic Strategy in response? We are at stalemate. – Time to shift gears and play hardball politics. Start campaigning on make-sense priorities to win the 2022 midterms and stronger control of House and Senate. The practical reality is that Democrats need to formulate a plan to rebalance taxes: to argue for giving most Americans a significant tax break and for taxing the rich and wealthy more effectively. It is not enough "to increase taxes only for those with

incomes over \$400,000." Without strong control of the House and Senate Democrats will not be able to effect any real changes or protect against corrupt Republican governing. Make it known what the differences are. Democrats want to rebalance taxes in favor of ordinary Americans and the working poor. Make the Republicans make the case against the Democrat Plan. Make the Republicans justify their own game.

Democrats need to focus the conversation on tax fairness, equity, and income and wealth inequality. Those who have so much, much more than they will ever be able to spend or need, are not taxed appropriately. Democrats want better lives for Americans by cutting taxes for most people, most Americans, the working people, and the working poor (whose numbers are growing under Republican policies). Those very people that Republicans say they support as they continue to steal and shill for the rich, spreading their conspiracy theories and ideas of white supremacy. Let the Republicans try to campaign on making a better plan for tax fairness and equity for most Americans. Make the Republicans campaign against tax fairness and tax cuts for most Americans during the 2022 midterm elections. Democrats must argue Republicans have shifted the tax burden over decades onto the shoulders of ordinary Americans. Simply the truth. The cold, hard truth.

One of the few things the federal government can do well, and the Republicans have won on in the past, is cutting taxes. That has been Republicans' battle cry for decades - "We will cut taxes in favor of the working man." And that strategy has worked for them, even though they have lied to the electorate. They have rebalanced the tax system, so it favors the rich and wealthy to a dangerous extreme over ordinary Americans. Ordinary Americans, like the working public and

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the working poor, are under increasing stress and danger. Not to mention the grimmer statistics for minorities and the poor. People are dying for lack of proper health care. Too many lack safe and reasonable housing, food, access to education, training and modern tools of computers and the internet that create opportunity and stable futures. Statistics show the average life expectancy for all people in the USA is falling.

A recent report by the New York Times (NYT, Drucker & Hakim, Private Inequity: How a Powerful Industry Conquered the Tax System, 06/12/21) shows that hedge fund managers have been particularly good at tax avoidance, and they are not being prosecuted, despite whistleblower activity. The rich can be taxed, but they have been very good at using their resources to avoid it. And Republicans have been good at shifting the burden onto ordinary Americans. ProPublica recently published the first report in a series (Engelberg & Tofel, 06/08/21; TWP Frankel & MacMillan summarize the ProPublica report, 06/08/21) based on actual tax returns showing that the richest and wealthiest .001% pay about 3.4% of their pretax income on taxes and some pay none at all due to tax avoidance. In sharp relief, most Americans pay an average of 37% of pretax income. This is a bombshell report that blows the cover off the idea that the USA tax system is fair and progressive. Indeed, it makes it quite clear the USA tax system is regressive and punishing. Indeed, the USA is an Oligarchy, a system of government ruled by the richest and wealthiest to the detriment of everyone else. Those who can most afford to pay more are the ones who pay the least. The rich can spend their money on second homes or even third, fourth, fifth, sixth homes. Gigantic mansions that nobody in their right mind needs, other than as a sign of status and wealth. Or multi-million-dollar yachts. Like Betsy DeVos and her family. The rich

practice tax avoidance. Yachts are registered in different countries to avoid taxes. Legal under the US tax code but morally bankrupt as millions suffer for not having enough.

The trickle-down theory is a well-practiced hoax perpetrated by Republicans for at least 100 years. Tax cuts for the richest and wealthiest do not trickle down, create economic growth and make things better for all Americans. Instead, those tax cuts flow into the coffers and offshore bank accounts of the rich and wealthy. This is the heart of the matter and key to winning the 2022 midterm elections. - To formulate revision of tax policies for tax fairness and tax relief of most Americans. Let us not forget that the original income taxes in this country in the early 1900's were aimed at the wealthy and only the wealthy. Over 100 years and more, Republicans have been remarkably successful in giving the rich tax breaks; and shifting the burden onto everyone else. And borrowing \$Trillions from the Social Security Trust Fund to avoid raising taxes. Basically stealing from those most at risk. In other words, Democrats need to rebalance the corruption of Republican tax policies. In a few words, why are we taxing Social Security income? Social Security Disability income, Social Security Retirement income, Social Security Aid to Dependent Children. Social Security was designed in earlier times to help those most at risk: the elderly, the disabled, and children. It is not like those Social Security recipients can afford a few yachts. Democrats need to refocus the conversation on tax fairness, equity, and income and wealth inequality. Those who have so much, much more than they will ever be able to spend or need, are not taxed appropriately. Republicans might argue they will cut taxes deeper for most Americans. But it becomes clearer every day that Republicans really do not know how to govern. (Lyndon Johnson, 1960's: "Republicans simply do not know how to manage the economy. They are so busy operating the trickle-down theory, giving the richest corporations the

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biggest breaks that the whole thing goes to hell in a handbasket." Will Rogers, 1920's: "The money was all appropriated for the top in the hopes that it would trickle down to the needy. Mr. Hoover didn't know that money trickled up. Give it to the people at the bottom and the people at the top will have it before night anyhow. But it will at least have passed through the poor fellow's hands.") As a reminder of corrupt and inept Republican governance, on Saturday, June 12, 2021, the United States passed 600,000 deaths due to the coronavirus. Not a mark to celebrate. Nor a governance trend to continue. Republicans spread hate. They do not fix problems or make things better for all Americans. Donald Trump and Republicans gave the rich massive and lasting tax breaks, increasing the federal deficit by \$Trillions. Yet Republicans insist Democrats are to blame. The USA still has a huge defense budget, and with the COVID-19 epidemic or pandemic, you must wonder how much the revenue streams for the federal government will be affected. Taxing the rich more effectively is a necessity. As well as rebalancing federal budget priorities.

George Mandell, MPA georgemandell.com