

The Enthusiasm Gap (From <http://robertreich.org/>)

Sunday, February 28, 2010 - I had dinner the other night with a Democratic pollster who told me Dems are heading toward next fall's mid-term elections with a serious enthusiasm gap: The Republican base is fired up. The Dem base is packing up.

The Dem base is lethargic because congressional Democrats continue to compromise on everything the Dem base cares about. For a year now it's been nothing but compromises, watered-down ideas, weakened provisions, wider loopholes, softened regulations.

Health care went from what the Dem base wanted — single payer — to a public option, to no public option, to a bunch of ideas that the President tried to explain last week, and it now hangs by a string as Nancy Pelosi and Harry Reid try to round up conservative Dems and a 51-vote reconciliation package in the Senate.

The jobs bill went from what the base wanted — a second stimulus — to \$165 billion of extended unemployment benefits and aid to states and locales, then to \$15 billion of tax breaks for businesses that make new hires.

Financial regulation went from tough new capital requirements, sharp constraints on derivate trading, a consumer protection agency, and a resurrection of the Glass-Steagall Act — all popular with the Dem base — to some limits on derivatives and a consumer-protection agency inside the Treasury Department and a rearrangement of oversight boxes, and it's now looking like even less.

The environment went from the base's desire for a carbon tax to a cap-and-trade carbon auction then to a cap-and-trade with all sorts of exemptions and offsets for the biggest polluters, and now Senate Dems are talking about trying to do it industry-by-industry.

These waffles and wiggle rooms have drained the Democratic base of all passion. "Why should I care?" are words I hear over and over again from stalwart Democrats who worked their hearts out in the last election.

The Republican base, meanwhile, is on a rampage. It's more and more energized by its mad-as-hell populists. Tea partiers, libertarians, Birchers, birthers, and Dick Arme astro-turfers are channeling the economic anxieties of millions of Americans against "big government."

Technically, the Dems have the majority in Congress and could still make major reforms. But conservative, "blue-dog" Dems won't go along. They say the public has grown wary of government. But they must know the public hasn't grown even more wary of big business and Wall Street, on which effective government is the only constraint.

Anyone with an ounce of sanity understands government is the only effective countervailing force against the forces that got us into this mess: Against Goldman Sachs and the rest of the big banks that plunged the economy into crisis, got our bailout money, and are now back at their old games, dispensing huge bonuses to themselves. Against WellPoint and the rest of the giant health insurers who are at this moment robbing us of the care we need by raising their rates by double digits. Against giant corporations that are showing big profits by continuing to lay off millions of Americans and cutting the wages of millions of more, by shifting jobs abroad and substituting software. Against big oil and big utilities that are raising prices and rates, and continue to ravage the atmosphere.

If there was ever a time to connect the dots and make the case for government as the singular means of protecting the public from these forces it is now. Yet the White House and the congressional Dem's ongoing refusal to blame big business and Wall Street has created the biggest irony in modern political history. A growing portion of the public, fed by the right, blames our problems on "big government."

Much of the reason for the Democrats' astonishing reluctance to place blame where it belongs rests with big business's and Wall Street's generous flows of campaign donations to Dems, coupled with their implicit promise of high-paying jobs once Democratic officials retire from government. This is the rot at the center of the system. And unless or until it's remedied, it will be difficult for the President to achieve any "change you can believe in."

To his credit, Obama himself has not scaled back his health-care ambitions all that much, and he appears, intermittently, to want to push conservative blue-dog Dems to join him on a bigger jobs bill, tougher financial reform, and a more effective approach to global warming. (His overtures to Republicans seem ever more transparently designed to give blue-dog Dems cover to vote with him.)

But our President is not comfortable wielding blame. He will not give the public the larger narrative of private-sector greed, its nefarious effect on the American public at this dangerous juncture, and the private sector's corruption of the democratic process. He has so far eschewed any major plan to get corporate and Wall Street money out of politics. He can be indignant— as when he lashed out at the "fat cats" on Wall Street — but his indignation is fleeting, and it is no match for the faux indignation of the right that blames government for all that ails us.