

June 20, 2013

HUFF
POST

Occupying the GOP

Posted: 01/18/2012 8:27 am

Even though their encampments have been dismantled, the ripple effects of the Occupy Wall Street movement are being felt throughout the country, including in the Republican Party's presidential primaries. As the *New York Times'* [Jeff Zeleny wrote on Saturday](#), "Mitt Romney has spent days defending himself against accusations that he was a job-killing vulture capitalist." But what's most interesting is that these attacks are coming from Romney's GOP rivals. Can anyone imagine Rick Perry attacking frontrunner Romney for being a "vulture capitalist," or Newt Gingrich bashing Romney for "looting" companies and being a "crony capitalist," just a few months ago? But ever since the September protests at Zuccotti Park spread across the country, politicians and pundits have suddenly been changing their rhetoric to give voice to the growing anger toward Wall Street and big business.

The Occupy movement has changed our national conversation. At kitchen tables, in coffee shops, in offices and factories, and in newsrooms, Americans are now talking about economic inequality, corporate greed, and how America's super-rich have damaged the economy and the nation's democracy. A search of the Lexis/Nexis's database reveals that in October 2010, U.S. newspapers published 409 stories with the word "inequality." Each month through September 2011 the number of stories about "inequality" varied little. But in October 2011, the frequency skyrocketed to 1,269 stories. Likewise with the word "greed." Between October 2010 and September 2011, the number of "greed" stories fluctuated between 452 and 728. But in October, only weeks after the Occupiers gained a foothold in New York and other cities, newspapers ran 2285 stories with the word "greed."

Many Americans who don't agree with the Occupiers' tactics or rhetoric nevertheless share its indignation at outrageous corporate profits and excessive executive compensation side-by-side with the epidemic of lay-offs and foreclosures. According to a Pew Research Center national survey released in mid-December, most Americans (77%) -- including a majority (53%) of Republicans -- agree that ["there is too much power in the hands of a few rich people and corporations."](#) Pew also discovered that 61% of Americans -- including 76% of Democrats, 61% of independents, and 39% of Republicans -- believe that "the economic system in this country unfairly favors the wealthy." A significant majority (57%) of Americans - including 73% of Democrats, 57% of independents, and 38% of Republicans - think that [wealthy people don't pay their fair share of taxes.](#)

President Barack Obama's [December 5 speech](#) in Osawatomie, Kansas, signaled his recognition that the populist outrage unleashed by the Occupy movement can help energize his re-election effort. Obama criticized the "breathtaking greed" that has led to widening income divide. "This isn't about class warfare," he said. "This is about the nation's welfare." In his speech, Obama pointed out that the average income of the top 1 percent has increased by more than 250 percent, to \$1.2 million a year.

Last week Obama sent Alan Krueger, the head of his Council of Economic Advisors, to the Center for American Progress to make an unprecedented [presentation](#) about the dangers of growing income inequality, declining wages, and stagnating social mobility.

Many Democrats running for Congress this year will hitch their campaign to these themes, even if they don't directly give credit to the Occupiers for putting these issues on the nation's agenda.

But nowhere can the impact of the Occupy insurgency be better seen than in the fumbling efforts of Romney's GOP rivals to capture the new anti-corporate sentiment. The Republicans are trying to figure out how to capture the national mood without sounding too anti-business and offending their corporate sponsors. They're finding that it's a difficult tightrope to walk.

In the past two weeks, Gingrich, Perry, and Jon Huntsman tapped into the deepening outrage at corporate malpractice by focusing on Romney's career at Bain Capital, the private equity firm that made billions by investing in troubled companies. From 1984 through 1999, Romney ran the Boston-based company which, according to a [Los Angeles Times investigation](#), made billions by "firing workers, seeking government subsidies, and flipping companies quickly for large profits." According to the *Times*, "Sometimes Bain investors gained even when companies slid into bankruptcy. Romney himself became wealthy at Bain. He is now worth between \$190 million and \$250 million, much of it derived from his time running the investment firm."

For sure the dust-up over Romney's business dealings is partly fueled by his rivals' desperate need to undercut his frontrunner status, his victories in Iowa and New Hampshire, and his growing momentum. But it is also the result of the new climate of opinion triggered by the Occupy Wall Street movement, which clearly struck a nerve in the body politic.

Over the past year, the U.S Chamber of Commerce and their Republican friends in Congress have launched a propaganda campaign attacking federal regulations that protect workers, consumers, and the environment as "job killers." Now, even conservative Republican candidates for president are blaming corporate greed for killing jobs, reflected in their attacks on Romney.

Last week Gingrich said that Bain Capital consisted of "rich people figuring out clever, legal ways to loot out a company." Perry said that Romney must have been worried that he would "run out of pink slips" to give people. At one of the New Hampshire debates, Huntsman said that "Gov. Romney enjoys firing people. I enjoy creating jobs."

Bashing Romney's corporate resume, Gingrich [said](#), "I think there's a real difference between people who believed in the free market and people who go around, take financial advantage, loot companies, leave behind broken families, broken towns, people on unemployment."

"Crony capitalism, where people pay each other off at the expense of the people of this country, is not free enterprise, and raising questions about that is not wrong," Gingrich said in South Carolina. Voters should know whether businesses are "fair to the American people, or are the deals being cut on behalf of Wall Street institutions and very rich people."

Last week, Gingrich's Super PAC, Winning Our Future, released a harsh attack ad, "When Mitt Romney Came to Town," that saturated the South Carolina airwaves. It paints Romney as money-grubbing corporate raider, who bought, stripped, and destroyed companies with no concern for their employees or the communities in which the firms were located. The documentary-like ad includes interviews with Romney's "victims" in four cities, and includes a snippet of Romney's clumsy comment in Iowa that "corporations are people."

In a Fox News interview with Sean Hannity on January 10, Perry [said](#),

there's a real difference between venture capitalism and vulture capitalism. Venture capitalism we like. Vulture capitalism, no. And the fact of the matter is that he's [Romney] going to have to face up to this at some time or another, and South Carolina is as good a place to draw that line in the sand as any, because those people in Gaffney, South Carolina, understand what happened to that photo album company.

Perry was referring to Holson Burnes factory that made photo albums and picture frames. In 1992, just four years after the factory opened, the Bain-controlled firm fired more than 100 workers and shipped some of the operation overseas. Campaigning in South Carolina, Romney defended his allegiance to free enterprise. "I will work to get good jobs back," Romney said. "And a lot of people talk about how we create jobs. By the way, it is not to walk away from free enterprise. It is not to say that there is something wrong with the free-market system. No it is instead to hold fast to that system and make it work for the American people."

The attacks on Romney have triggered a backlash by some conservatives on both ideological and political grounds. They don't like to hear fellow Republicans vilifying capitalism and the profit motive. Republicans and conservative columnists and editorial writers have recently become fond of quoting economist Joseph Shumpeter, who argued that capitalism involves "creative destruction," which can take a human toll but which ultimately promotes innovation and economic growth. This has become the justification for Bain Capital's predatory practices.

Last week the business-oriented Club for Growth [called](#) Gingrich's critique of Romney's work at Bain "disgusting," and said that "attacking Governor Romney for participating in free-market capitalism is just beyond the pale for any purported 'Reagan conservative.'" The right-wing *American Spectator* magazine joined the chorus, [arguing](#) that Gingrich's attack on Romney's Bain experience was "attack on capitalism itself, something that should be anathema to a self-described 'Reagan conservative.'"

On his radio show, Glenn Beck [said](#) that Bain has become the "new Halliburton -- the company that has done nothing wrong yet is completely vilified merely for being a company that attempts to earn a profit." The widely-read conservative blogger Roger Simon confessed to making a mistake by initially promoting Perry and then supporting Gingrich. "This basically anti-market propaganda from Perry would more normally come from a Norwegian socialist," wrote Simon.

GOP candidate Rick Santorum, the former senator from Pennsylvania, clearly got the message that attacking Romney's business track record could backfire if Romney wins the nomination and Democrats use these attacks by fellow Republicans in their own anti-Romney ads. Santorum (who may want to be Romney's running mate) refused to join the pile-on against Romney. "[I] just don't think as a conservative and someone who believes in business that we should be out there playing the games that the Democrats play, saying somehow capitalism is bad," he said.

Romney and the other GOP candidates consistently label Obama's policies "socialism" and accuse the president of wanting to turn the U.S. into a "European welfare state." But the battle isn't between capitalism and socialism. Instead, the Occupy Wall Street protests have triggered a debate over what *form* of capitalism makes the most sense for a healthy American society.

One version of capitalism is characterized by free market fundamentalism, where consumers, workers, and families are on their own, and businesses do whatever they want, with little or no role for government. Let's call this "no rules" capitalism.

The other version of capitalism is one where society sets the rules and standards of commerce, regarding matters like protecting consumers, employees and the environment from irresponsible business practices, such as excessive pollution, risky oil drilling, predatory and reckless bank lending, price-fixing, unsafe workplaces, food, medicine, cars, and airplanes, minimum wages, discrimination by race and gender, and massive lay-offs. Let's call this "responsible" capitalism.

Without clear government ground rules, capitalism becomes anarchy and cronyism. Every segment of industry, as well as consumers, becomes so short-sighted and greedy that they don't see the possible train wreck coming around the corner. That's what happened to the financial services and housing industry -- the builders, banks, mortgage companies, brokers, investors, credit-rating agencies, and others -- when they got the deregulation that they fought so hard for, which led to the Wall Street meltdown and the prolonged recession.

Both Democratic and Republican candidates are now echoing the ideas that ignited the Occupy Wall Street protests and continue to reverberate in our political culture. As local cops cleared out the Occupy encampments around the country, activists insisted that "You can't evict an idea." Listening to the Republicans on the campaign trail in recent weeks, it appears that the Occupiers were right.

Peter Dreier teaches politics and chairs the Urban & Environmental Policy Department at Occidental College. His next book, *The 100 Greatest Americans of the 20th Century: A Social Justice Hall of Fame*, will be published by Nation Books in the spring.

Been to Occupy Wall Street?

If you've been to an Occupy Wall Street event anywhere in the country, we'd like to hear from you. Send OfftheBus your photos, links to videos or first-hand accounts of what you've seen for possible inclusion in The Huffington Posts's coverage.

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