

# Obama's Modest Proposals

President Obama struck a folksy tone during his State of the Union address, but there wasn't much substance for the average folks and even his fairly modest proposals for helping the middle class face determined GOP opposition as Michael Winship describes.

By Michael Winship

Much of the buildup to President Barack Obama's State of the Union address made it sound as if he was going to read chapter and verse from French economist Thomas Piketty's book, *Capital in the 21st Century* you know, last year's 700-plus page best seller, the one that was unexpectedly all the rage as it argued that vast economic inequality is as much about wealth (what's owned) as it is about income (what's earned). *That* one.

Matt Schiavenza explained it in *The Atlantic*, "Applying data gathered across several decades throughout the world, Piketty argued that when income derived from capital exceeds income derived from work, inequality necessarily widens. Or, in non-economics speak: The easiest way to get rich isn't to make a lot of money. It's to have a lot of assets in the first place. Better yet to inherit it."

Not that anyone really expected the President to address Congress like a tutorial in global economics, but the Piketty meme took hold in a lot of the media. "Echoes of Piketty in Obama Proposal to Address Income Inequality" read a headline in *The New York Times* previewing the address just hours before it was delivered.

*The Washington Post's Wonkblog* predicted, "President Obama finally has his Piketty moment." The paper's Matt O'Brien wrote, "The state of the union is pretty good, actually, but President Obama has an idea to make it better: taxing Wall Street and the super-rich to make middle-class work even more worthwhile. It's Piketty with an American accent."

If only.

In fact, the president appeared to have lost his nerve. He used the word "inequality" only once in his entire, hour-long speech: "Let's close the loopholes that lead to inequality by allowing the top one percent to avoid paying taxes on their accumulated wealth," he said. "We can use that money to help more families pay for childcare and send their kids to college. We need a tax code that truly helps working Americans trying to get a leg up in the new economy, and we can achieve that together."

Beyond the well-delivered, folksy rhetoric, here's what the President's budget apparently will propose. In Matt O'Brien's words: "\$320 billion of new taxes on rentiers, their heirs, and the big banks to pay for \$175 billion of tax credits that will reward work. In other words, it's fighting a two-front war against a Piketty-style oligarchy where today's hedge funders beget tomorrow's trust funders." (Rentiers, by the way, are people who make their money off property, investments or inherited wealth.)

More specifically, Julie Pace at Associated Press reports: "The president's proposal would increase the capital gains rate on couples making more than \$500,000 annually to 28 percent [currently, it's 23.8 percent], require estates to pay capital gains taxes on securities at the time they're inherited, and slap a fee on the roughly 100 U.S. financial firms with assets of more than \$50 billion.

"Administration officials said much of the \$320 billion in new taxes and fees would be used for measures aimed at helping the middle class, including a \$500 tax credit for some families with two spouses working and a \$60 billion program to make community college free."

This is, as several commentators have described it, "Piketty-lite," a start, but not enough to get the job done for a middle class clobbered by technology and globalization.

"Dollar-store progressivism," Jordan Weissman calls it at Slate. "Big ideas with relatively small price tags." That \$320 billion is spread out over a decade, or \$32 billion per year: "That's just a smidge more than 1 percent of last year's federal tax revenue, more than a rounding error, but not much more. Obama isn't looking to soak the rich at this point so much as lightly spritz them."

Ah, yes: On just about everything to do with Big Money, Mr. Obama is spritzer-in-chief, not the reformer-in-chief. And that's because, occasional oratory to the contrary, he is tucked well under the corporate wing of his party, mightily beholden to the investment sector he occasionally decries to maintain his credibility. Remember that within beats of defending the middle class in the State of the Union. he was calling for the fast tracking of new trade agreements that will make the rich richer but also could help destroy what little is left of American manufacturing and the jobs that go with it.

What's more, President Obama was addressing a body of legislators that as of 2013 was worth roughly \$4.3 billion, each with a median net worth of slightly more than a million dollars, the combined wealth of more than 18 typical American households, according to the Center for Responsive Politics.

As the center's executive director Sheila Krumholz drily observed, "Struggling Americans should not assume that their elected officials understand their circumstances."

Author and scholar Laurie Garrett tweeted that as the President spoke, "a record number of private jets landed" at the Davos World Economic Forum, the Super Bowl of the super-rich, the people who have come through the recession, brought on by Wall Street greed, in better shape than ever, thank you.

And the President's words came on the heels of a new report from Oxfam that the world's wealthiest one percent are on the verge of owning more than every other person on the planet combined. Group hug, everyone!

So count on it: With a President too often bold in words but timid in action facing a Congress more Republican and obstructionist than ever, little will get done to fix inequality. Even the Tea Partiers who howled in protest over the bailout of the big banks back in 2008 have been taken to the woodshed by the likes of Karl Rove, and are silent as establishment Republicans complete the return of the GOP as Guardians of the One Percent.

For now, don't really expect further taxes on the wealthy that could help those at the bottom (and did you hear any discussion of America's poor people at the State of the Union?) Funny how trickle-down economics, a concept beloved by the GOP and its plutocratic allies, as well as by corporate Democrats, become an abomination when the galoshes are on the other foot and favor the less well off. Suddenly, trickle-down becomes all wet.

**Michael Winship is the Emmy Award-winning senior writer of Moyers & Company and BillMoyers.com, and a senior writing fellow at the policy and advocacy group Demos.**

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## Jesus as Whistleblower

Christian churches typically present the religious mythology about Jesus, as the supernatural Son of God who was sacrificed on the cross as atonement for man's sins. But there is a more historical Jesus who instructed the poor about the injustices they faced and died for it, writes Rev. Howard Bess.

By Rev. Howard Bess

In the John account of the beginning of the ministry of Jesus, Jesus starts by calling his disciples. Philip, who had already become a follower, brought along

Nathaniel and declared with great excitement: "We have found the messiah, the one of whom Moses speaks. He is Jesus, the son of Joseph, from Nazareth."

Nathaniel's response was quick: "Can anything good come from Nazareth?"

I grew up in Fairbury, a small farm town in central Illinois that survived and thrives as a shopping and banking center with an excellent high school, the result of consolidations with surrounding school districts. But around Fairbury are a handful of dead towns.

At one time, each of these small towns had a general store, a bank, a grain elevator, a church and a one-building school that housed kids first grade through high school. These towns now consist of a few homes, but nothing more.

Nazareth of Jesus's time can be compared to these small dead communities but much worse. At one time, Nazareth was a thriving town populated by farm families. Farmers owned and farmed their own land but did not live on the land they farmed. They lived in villages like Nazareth.

However, by the Jesus era, the area had gone through a dramatic change, much because of the heavy hand of Roman occupation. Nazareth was a dead town that was a part of an "advanced agrarian society." Farmers had lost ownership of their land. Ownership had passed to wealthy people who lived in the big Roman-dominated cities of Sepphoris and Tiberius.

The population of villages like Nazareth was made up of former farmers, who stayed in Nazareth, having lost land ownership and were reduced to peasants trying to exist as farm laborers, expendables who had become starving beggars, and women who had been abandoned. The poverty was beyond description.

The words ascribed to Nathaniel are understandable: "Can anything good come from Nazareth?"

A thinking person cannot help but ask "how did things get so bad?" The answer is very involved but is vital to the search for the historical Jesus. For now, we can say that the plight of the rural Jews in Galilee was terrible and that fact can be verified by historical research.

We also can emphatically say that these were the roots of Jesus, and Jewish peasants were his audience. The added tragedy is that the poor both then and now seldom realize what had happened to them and who it was that had put them in their lowly position.

In our own day a poor person working for minimum wage applies for food stamps, goes to a local food bank, buys clothes at a second-hand store, and lives in

subsidized housing without asking why she/he cannot be paid a livable wage. She/he also shops at Walmart because the prices are so good.

I do not know how Jesus figured out what was being done to his fellow peasants. But we know that Jesus realized that the rich land owners in Sepphoris and Tiberius were crooks, their retainers were thieves, and the priests, who kept peasants in line, were spiritual thugs.

History has preserved for us very important information about Jesus. The number one source is the parables he told. Many people still think that the parables of Jesus are nice earthly stories about heavenly subjects. However, placed in the context of the dynamics of an advanced agrarian society, the stories become pointed protests against the rich, the politically powerful and the haughty religious.

This collection of stories becomes political and social commentary that the poor began to understand. They decided to rise up in protest. Jesus was the whistleblower exposing and explaining the injustices. He was put to death for his unholy activity.

I have a dear minister friend, whom I greatly admire. My friend spent many years as a hospital chaplain and loved her job. The nurses had grievances with the hospital and went on strike. My chaplain friend joined their picket line. Because she joined the picket line and would not cross the line to go to work, she lost her chaplain job. The union hired her, and she finished her ministerial career as a union executive. I have nothing but admiration for the decisions she made. She was a first-rate Jesus follower.

Jesus is my Lord. I believe he died for the sins of the world, which is the side of Jesus that we hear presented every Sunday in worship services. My protest is about the side of Jesus that ministers and churches keep side-stepping.

Jesus constantly spoke about the Kingdom of God on earth and instructed us to pray for that reality. If our religious gestalt does not include Jesus as a whistleblower on earth in life's real situations, the picture is not complete.

Can anything good come out of Nazareth? You be the judge.

**The Rev. Howard Bess is a retired American Baptist minister, who lives in Palmer, Alaska. His email address is [hdbss@mtaonline.net](mailto:hdbss@mtaonline.net).**

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# The Anti-Empirical Empire

In many ways, America has become the anti-empirical empire, a superpower where many political leaders divorce themselves from facts. Few examples are more glaring or dangerous than the continued denial of global warming despite the latest evidence of impending catastrophe, as ex-CIA analyst Paul R. Pillar explains.

By Paul R. Pillar

The graphic that was on the front page of the *New York Times* on Saturday is striking. It accompanied [a story](#) about how 2014 was Earth's hottest year on record. There is a bar chart showing how average global temperatures have been rising over the past century and markedly so since the 1970s, and how the ten warmest years have all occurred since 1997.

But just as eye-catching is a world map that uses color to depict how temperatures in different areas of the globe in 2014 differed from the average for each area: red for hotter and blue for colder, with the intensity of the color indicating how much of a divergence there was from the average. As would be expected with the hottest year on record, most of the map is red.

But given that temperatures do not vary uniformly around the world, there is some blue. And the one patch of blue that covers an area with any significant population happens to be over the central and eastern United States, with some adjacent parts of Canada. (Remember those wayward polar vortices last winter?) The only other blue areas that are over parts of continents are in eastern Antarctica, which is uninhabited, and a small piece of northern Namibia and southern Angola, in one of the more sparsely populated parts of Africa.

If weather were the product of some sort of intelligent design, this pattern might lead one to conclude that the designer wanted to tilt debate in the United States on climate change in favor of the climate-change-deniers. No matter how many reminders experts issue that short-term variations in weather are not to be equated with longer term climatological change, there is nothing like a good blast of cold air through Washington to cool receptivity to messages about the need to slow and arrest global warming.

There still would be plenty of ostrich-in-the-sand denial on this issue regardless of the current weather, but in general the less that Americans are directly and immediately feeling ill effects of a problem, the less likely that U.S. policy will be shaped to deal with the problem.

This correlation is most obvious with the climate change issue itself, but is

not limited to it. Terrorism, for example, is a phenomenon rooted in circumstances and policies that are spread across many countries but that usually leads Americans even to recognize that a problem exists only if they themselves are hit with some of the consequences.

And even though terrorist attacks involve human volition, exactly where and how terrorist consequences emerge out of larger patterns of political and social dysfunction involves, like any one year's weather, essentially unpredictable variation. There is no overall intelligent design.

Grabbing the American public's attention requires not only an impact on Americans themselves but an impact that is, like a city full of hot uncomfortable air, obvious and impossible to miss. Consequences for Americans and U.S. interests can be substantial but still missed without that kind of immediacy and obviousness.

This is true even when the consequences flow from actions taken by the United States itself. It is true, for example, of the economic harm to the United States of U.S.-imposed sanctions. It is true as well of many ways in which other countries and peoples impede the projection and exercise of American power overseas.

The blue patch hovering over most of the United States in that map in the *Times* thus can stand for more than just last year's respite for some of us from the heating up of the planet. It also can represent a more general pattern of ignorance of much of the red vastness beyond U.S. borders. It can be thought of as a blue haze that miraculously protects us from the immediacy of much of the world's problems but also obscures our understanding of them. The only difference from what the map depicts is that the phenomenon does not stop in the high plains but instead also includes the western United States.

**Paul R. Pillar, in his 28 years at the Central Intelligence Agency, rose to be one of the agency's top analysts. He is now a visiting professor at Georgetown University for security studies. (This article first appeared as a blog post at The National Interest's Web site. Reprinted with author's permission.)**

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