



FRIENDS OF THE MIDDLE NEWSLETTER #128 — MAY 1, 2012

Welcome to always lively political discussion and whatever else comes up.
<http://www.FriendsOfTheMiddle.org> FriendsOfTheMiddle@hotmail.com

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Mitt Romney Is a Liar, Part 2

(posted by Steven W. Baker / SteveB, May 1, 2012)

The audacity of this campaign's lies is mind boggling! (see: "Let Detroit Go Bankrupt"—that would be without a bailout—by Mitt Romney, *The New York Times*, Nov. 18, 2008, http://www.nytimes.com/2008/11/19/opinion/19romney.html?_r=1.)

He sure thinks we're stupid, huh?

"Eric Fehrstrom: Auto Bailout Was Mitt Romney's Idea" by Chris Gentilviso, Huffington Post

Apr. 28, 2012, (http://www.huffingtonpost.com/2012/04/28/eric-fehrstrom-auto-bailout-mitt-romney_n_1461805.html?ref=elections-2012)

Top Mitt Romney adviser Eric Fehrstrom claimed that President Obama's auto bailout was the GOP presidential hopeful's idea.

Fehrstrom said Obama followed Romney's course to help the auto industry during an appearance at a Saturday roundtable discussion hosted by the The Washington Post.

"His position on the bailout was exactly what President Obama followed," Fehrstrom said. "He said, 'If you want to save the auto industry, just don't write them a check. That will seal their doom. What they need to do is go through a managed bankruptcy process.'"

"The only economic success that President Obama has had is because he followed Mitt Romney's advice," Fehrstrom added.

Fehrstrom made headlines back in late March for saying that Romney's GOP primary positions were as erasable as a drawing on an Etch a Sketch. Fehrstrom's Saturday comments marked a different drawing on the auto bailout than what Romney penned in a November 2008 New York Times op-ed.

Headlined "Let Detroit Go Bankrupt," the piece closed with these words:

"In a managed bankruptcy, the federal government would propel newly competitive and viable automakers, rather than seal their fate with a bailout check," Romney wrote.

According to The Hill, Fehrstrom pointed to that segment of the op-ed, noting that auto companies are now profitable because of how they cut costs through a "managed bankruptcy."

"It is exactly what Mitt Romney told them to do," Fehrstrom said.

Over the course of the 2012 campaign, President Barack Obama's campaign has highlighted the successes of his administration's 2009 auto bailout, headed by the 1.4 million jobs that were saved in the process. In a March 2012 ad entitled "Made In America," Obama's campaign did not forget Romney's '08 stance.

"When a million jobs were on the line, every Republican candidate turned their back, even said, 'Let Detroit go Bankrupt,'" the ad said.

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| 20120430-01 | 11:03 | Art | "Report: World's Climate Progress Too Slow" |
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"Report: World's Climate Progress Too Slow" by Brad Plumer , *The Washington Post*

Apr. 29, 2012, (http://www.washingtonpost.com/politics/report-world-progress-too-slow-on-climate-control/2012/04/29/gIQArCAMrT_story.html)

Each year, the International Energy Agency puts out a study of which technological advances are needed to keep global warming below two degrees Celsius. The 2012 report is out and the grades are dismal: Aside from a recent boom in wind and solar power, the world isn't making much progress.

The IEA doesn't just look at recent trends in greenhouse-gas emissions — those can rise and fall with the economy. Instead, it looks at which clean-energy technologies are coming online. If the world wants to avoid a 2C rise in global temperatures, then we'll need a certain amount of low-carbon infrastructure in place by 2020, the IEA says. That means a mix of wind turbines, nuclear reactors, energy-efficient cars and buildings, and so on. And, for most of those things, countries are way behind. Here's a rundown:

Cleaning up coal plants: The IEA has recommended that countries around the world need to have at least 38 coal plants that capture and store carbon up and running by 2020 in order to stay on pace to meet that 2C climate target. There are no such plants operating. Moreover, the report notes, nearly half of the new coal plants built in 2010 aren't even up to the latest efficiency standards.

Nuclear power: The IEA has estimated that the world's nuclear-power capacity needs to nearly double by 2025 to help meet climate targets. Right now, it is shrinking. Countries such as Germany, Japan, Belgium and Switzerland are planning to phase out their reactors in the next decade. While many countries are still building reactors — China has 26 in the works and Russia has 10 — the IEA expects the world to miss its nuclear goals.

Solar, wind and other renewable: Here the IEA is more optimistic, noting that solar-panel prices are plummeting, countries are rapidly building hydropower dams and geothermal plants, and wind turbines are sprouting up everywhere. Countries are making slower progress on advanced renewables such as concentrated solar power plants and offshore wind turbines. But in the past decade, renewable power has been growing at a 27 percent annual rate, and if the pace continues, renewables should meet the IEA's expectations.

Vehicle fuel economy: The IEA estimates that fuel economy needs to improve by an average of 2.7 percent per year by 2030 in order to keep the share of emissions from transportation under control, but cars and trucks are getting more efficient at just a 1.7 percent annual pace. Some countries — such as those in the European Union and the United States — are improving quite steadily. Others such as India are becoming less fuel efficient, though that's largely because more people are able to buy vehicles.

Buildings: The IEA says that improving the energy efficiency of buildings is one of the easiest ways for the world to rein in its carbon emissions, since residential and commercial buildings account for 32 percent of energy use around the world. Although most people know how to insulate better and install efficient lighting, most countries have been slow to adopt stricter building codes, promote solar thermal systems and speed the adoption of energy-efficient appliances.

If the world wanted to make a concerted push to meet the 2C target, the IEA says, all the sectors — from electricity to vehicles to buildings — would have to chip in to reduce greenhouse-gas emissions. The track we're on is to a balmy 6C of warming in our future. To get down to 2C, many sectors need to contribute.

The renewables sector is the only one pulling its weight. According to the IEA, most countries don't have stable, reliable policies to promote clean-energy technologies. They recommend the usual solutions: a price on fossil fuels, new standards for energy efficiency, and more money for research and development.

The IEA estimates that meeting the 2C target will require \$5 trillion in energy investments by 2020. That, in turn, would save \$4 trillion in fossil fuel costs. And over the next 40 years, the benefits from energy savings and reduced emissions would keep growing and eventually outweigh the costs. For now, though, the world's nowhere near that point.

[20120430-02](#) 12:08 Pam Re: Ban on Farm Chores (reply to Dale, FotM Newsletter #126)

This is a subject I haven't thought much about. In fact, it probably hasn't crossed my mind in years, but now that my attention has been snagged, I am trying to sort out my feelings on this. Most of you know I grew up in Indiana. My grandparents were farmers, my mother grew up on a farm, and much of my life was spent in farm country, so I am not unfamiliar with the needs and traditions of family farmers. That said, I think I come down on the side of child protection. I don't see much difference between a 12-yr. old working in a textile factory in Victorian England and a 12-yr. old operating heavy machinery on his uncle's farm. Parents sent their kids into those factories too. You could say, it was a tradition. We all remember when, as kids, we didn't ride in safety seats, wear seatbelts or bicycle helmets. Now I cringe when I see a kid riding a bike with an unprotected head, especially since my daughter's bike accident when she was eight. I've always wondered if a helmet would have lessened her injuries. My point is that time's have changed. We have wised up--to a degree. We don't live in the 19th c. anymore; tradition be damned. I am reminded of the kid who lost both arms in a combine (or something similar) a number of years ago. I don't think his help was worth that. Life is tough enough. Let's at least keep kids safe so they can grow up healthy and intact.

[20120430-03](#) 12:33 SteveG Re: Ban on Farm Chores (reply to Dale, FotM Newsletter #126)

CHILD LABOR IS CHILD LABOR NO MATTER WHO THE BOSS IS.

[20120430-04](#) 13:30 Tom Cartoon: "Man of Steal" (Ban on Farm Chores)



[But, Tom, as we saw in FotM Newsletter #127, Paul Ryan is the "Man of Steal". -SteveB]

20120430-05 16:18 Dennis "Let's Just Say It: The Republicans Are the Problem."

This appeared in the Washington Post and is excerpted from a new book by Mann and Ornstein, "It's Even Worse Than It Looks." Although Mann and Ornstein represent both liberal and conservative viewpoints, you can be sure

the Republicans will be squealing like stuck pigs over the conclusion here. All I can say is that it is about time the reality that Republicans have moved to the extreme far right was recognized in the media. Total government dysfunction is clearly the aim of the radical Republicans and they have been very successful at achieving it.

"Let's Just Say It: The Republicans Are the Problem." by Thomas E. Mann and Norman J. Ornstein, *The Washington Post*

Apr. 27, 2012, (http://www.washingtonpost.com/opinions/lets-just-say-it-the-republicans-are-the-problem/2012/04/27/gIQAxCVUIT_story_2.html)

Rep. Allen West, a Florida Republican, was recently captured on video asserting that there are "78 to 81" Democrats in Congress who are members of the Communist Party. Of course, it's not unusual for some renegade lawmaker from either side of the aisle to say something outrageous. What made West's comment — right out of the McCarthyite playbook of the 1950s — so striking was the almost complete lack of condemnation from Republican congressional leaders or other major party figures, including the remaining presidential candidates.

It's not that the GOP leadership agrees with West; it is that such extreme remarks and views are now taken for granted.

We have been studying Washington politics and Congress for more than 40 years, and never have we seen them this dysfunctional. In our past writings, we have criticized both parties when we believed it was warranted. Today, however, we have no choice but to acknowledge that the core of the problem lies with the Republican Party.

The GOP has become an insurgent outlier in American politics. It is ideologically extreme; scornful of compromise; unmoved by conventional understanding of facts, evidence and science; and dismissive of the legitimacy of its political opposition.

When one party moves this far from the mainstream, it makes it nearly impossible for the political system to deal constructively with the country's challenges.

"Both sides do it" or "There is plenty of blame to go around" are the traditional refuges for an American news media intent on proving its lack of bias, while political scientists prefer generality and neutrality when discussing partisan polarization. Many self-styled bipartisan groups, in their search for common ground, propose solutions that move both sides to the center, a strategy that is simply untenable when one side is so far out of reach.

It is clear that the center of gravity in the Republican Party has shifted sharply to the right. Its once-legendary moderate and center-right legislators in the House and the Senate — think Bob Michel, Mickey Edwards, John Danforth, Chuck Hagel — are virtually extinct.

The post-McGovern Democratic Party, by contrast, while losing the bulk of its conservative Dixiecrat contingent in the decades after the civil rights revolution, has retained a more diverse base. Since the Clinton presidency, it has hewed to the center-left on issues from welfare reform to fiscal policy. While the Democrats may have moved from their 40-yard line to their 25, the Republicans have gone from their 40 to somewhere behind their goal post.

What happened? Of course, there were larger forces at work beyond the realignment of the South. They included the mobilization of social conservatives after the 1973 *Roe v. Wade* decision, the anti-tax movement launched in 1978 by California's Proposition 13, the rise of conservative talk radio after a congressional pay raise in 1989, and the emergence of Fox News and right-wing blogs. But the real move to the bedrock right starts with two names: Newt Gingrich and Grover Norquist.

From the day he entered Congress in 1979, Gingrich had a strategy to create a Republican majority in the House: convincing voters that the institution was so corrupt that anyone would be better than the incumbents, especially those in the Democratic majority. It took him 16 years, but by bringing ethics charges against Democratic leaders; provoking them into overreactions that enraged Republicans and united them to vote against Democratic initiatives;

exploiting scandals to create even more public disgust with politicians; and then recruiting GOP candidates around the country to run against Washington, Democrats and Congress, Gingrich accomplished his goal.

Ironically, after becoming speaker, Gingrich wanted to enhance Congress's reputation and was content to compromise with President Bill Clinton when it served his interests. But the forces Gingrich unleashed destroyed whatever comity existed across party lines, activated an extreme and virulently anti-Washington base — most recently represented by tea party activists — and helped drive moderate Republicans out of Congress. (Some of his progeny, elected in the early 1990s, moved to the Senate and polarized its culture in the same way.)

Norquist, meanwhile, founded Americans for Tax Reform in 1985 and rolled out his Taxpayer Protection Pledge the following year. The pledge, which binds its signers to never support a tax increase (that includes closing tax loopholes), had been signed as of last year by 238 of the 242 House Republicans and 41 of the 47 GOP senators, according to ATR. The Norquist tax pledge has led to other pledges, on issues such as climate change, that create additional litmus tests that box in moderates and make cross-party coalitions nearly impossible. For Republicans concerned about a primary challenge from the right, the failure to sign such pledges is simply too risky.

Today, thanks to the GOP, compromise has gone out the window in Washington. In the first two years of the Obama administration, nearly every presidential initiative met with vehement, rancorous and unanimous Republican opposition in the House and the Senate, followed by efforts to delegitimize the results and repeal the policies. The filibuster, once relegated to a handful of major national issues in a given Congress, became a routine weapon of obstruction, applied even to widely supported bills or presidential nominations. And Republicans in the Senate have abused the confirmation process to block any and every nominee to posts such as the head of the Consumer Financial Protection Bureau, solely to keep laws that were legitimately enacted from being implemented.

In the third and now fourth years of the Obama presidency, divided government has produced something closer to complete gridlock than we have ever seen in our time in Washington, with partisan divides even leading last year to America's first credit downgrade.

On financial stabilization and economic recovery, on deficits and debt, on climate change and health-care reform, Republicans have been the force behind the widening ideological gaps and the strategic use of partisanship. In the presidential campaign and in Congress, GOP leaders have embraced fanciful policies on taxes and spending, kowtowing to their party's most strident voices.

Republicans often dismiss nonpartisan analyses of the nature of problems and the impact of policies when those assessments don't fit their ideology. In the face of the deepest economic downturn since the Great Depression, the party's leaders and their outside acolytes insisted on obeisance to a supply-side view of economic growth — thus fulfilling Norquist's pledge — while ignoring contrary considerations.

The results can border on the absurd: In early 2009, several of the eight Republican co-sponsors of a bipartisan health-care reform plan dropped their support; by early 2010, the others had turned on their own proposal so that there would be zero GOP backing for any bill that came within a mile of Obama's reform initiative. As one co-sponsor, Sen. Lamar Alexander (R-Tenn.), told *The Washington Post's* Ezra Klein: "I liked it because it was bipartisan. I wouldn't have voted for it."

And seven Republican co-sponsors of a Senate resolution to create a debt-reduction panel voted in January 2010 against their own resolution, solely to keep it from getting to the 60-vote threshold Republicans demanded and thus denying the president a seeming victory.

This attitude filters down far deeper than the party leadership. Rank-and-file GOP voters endorse the strategy that the party's elites have adopted, eschewing compromise to solve problems and insisting on principle, even if it leads to gridlock. Democratic voters, by contrast, along with self-identified independents, are more likely to favor deal-making over deadlock.

Democrats are hardly blameless, and they have their own extreme wing and their own predilection for hardball politics. But these tendencies do not routinely veer outside the normal bounds of robust politics. If anything, under the presidencies of Clinton and Obama, the Democrats have become more of a status-quo party. They are centrist

protectors of government, reluctantly willing to revamp programs and trim retirement and health benefits to maintain its central commitments in the face of fiscal pressures.

No doubt, Democrats were not exactly warm and fuzzy toward George W. Bush during his presidency. But recall that they worked hand in glove with the Republican president on the No Child Left Behind Act, provided crucial votes in the Senate for his tax cuts, joined with Republicans for all the steps taken after the Sept. 11, 2001, attacks and supplied the key votes for the Bush administration's financial bailout at the height of the economic crisis in 2008. The difference is striking.

The GOP's evolution has become too much for some longtime Republicans. Former senator Chuck Hagel of Nebraska called his party "irresponsible" in an interview with the *Financial Times* in August, at the height of the debt-ceiling battle. "I think the Republican Party is captive to political movements that are very ideological, that are very narrow," he said. "I've never seen so much intolerance as I see today in American politics."

And Mike Lofgren, a veteran Republican congressional staffer, wrote an anguished diatribe last year about why he was ending his career on the Hill after nearly three decades. "The Republican Party is becoming less and less like a traditional political party in a representative democracy and becoming more like an apocalyptic cult, or one of the intensely ideological authoritarian parties of 20th century Europe," he wrote on the Truthout Web site.

Shortly before Rep. West went off the rails with his accusations of communism in the Democratic Party, political scientists Keith Poole and Howard Rosenthal, who have long tracked historical trends in political polarization, said their studies of congressional votes found that Republicans are now more conservative than they have been in more than a century. Their data show a dramatic uptick in polarization, mostly caused by the sharp rightward move of the GOP.

If our democracy is to regain its health and vitality, the culture and ideological center of the Republican Party must change. In the short run, without a massive (and unlikely) across-the-board rejection of the GOP at the polls, that will not happen. If anything, Washington's ideological divide will probably grow after the 2012 elections.

In the House, some of the remaining centrist and conservative "Blue Dog" Democrats have been targeted for extinction by redistricting, while even ardent tea party Republicans, such as freshman Rep. Alan Nunnelee (Miss.), have faced primary challenges from the right for being too accommodationist. And Mitt Romney's rhetoric and positions offer no indication that he would govern differently if his party captures the White House and both chambers of Congress.

We understand the values of mainstream journalists, including the effort to report both sides of a story. But a balanced treatment of an unbalanced phenomenon distorts reality. If the political dynamics of Washington are unlikely to change anytime soon, at least we should change the way that reality is portrayed to the public.

Our advice to the press: Don't seek professional safety through the even-handed, unfiltered presentation of opposing views. Which politician is telling the truth? Who is taking hostages, at what risks and to what ends?

Also, stop lending legitimacy to Senate filibusters by treating a 60-vote hurdle as routine. The framers certainly didn't intend it to be. Report individual senators' abusive use of holds and identify every time the minority party uses a filibuster to kill a bill or nomination with majority support.

Look ahead to the likely consequences of voters' choices in the November elections. How would the candidates govern? What could they accomplish? What differences can people expect from a unified Republican or Democratic government, or one divided between the parties?

In the end, while the press can make certain political choices understandable, it is up to voters to decide. If they can punish ideological extremism at the polls and look skeptically upon candidates who profess to reject all dialogue and bargaining with opponents, then an insurgent outlier party will have some impetus to return to the center. Otherwise, our politics will get worse before it gets better.

(Thomas E. Mann is a senior fellow at the Brookings Institution, and Norman J. Ornstein is a resident scholar at the American Enterprise Institute. This essay is adapted from their book *It's Even Worse Than It Looks: How the American Constitutional System Collided With the New Politics of Extremism*, which will be available Tuesday.)

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| 20120430-06 | 16:43 | Pam | Re: "Let's Just Say It: The Republicans Are the Problem." (reply to Dennis, above) |
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Terrific. This deserves a wide audience.

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| 20120430-07 | 18:10 | Dennis | "Five Tax Fallacies Invented by the 1%" |
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"Five Tax Fallacies Invented by the 1%" by Paul Buchheit, Common Dreams/NationofChange

Apr. 30, 2012, (<http://www.commondreams.org/view/2012/04/30>) (<http://www.nationofchange.org/five-tax-fallacies-invented-1-1335792996>)

We hear these claims often, even though they're entirely false. An analysis of the facts should make that clear.

1. The Rich Pay Almost All the Taxes

That's simply not true. The percentage of total taxes paid by the very rich (the top 1%) is approximately the same as the percentage paid by middle class Americans (the 4th quintile, average income \$68,700). Here are the details:

Internal Revenue Service figures show that the very rich paid 23% of their incomes in federal income taxes in 2006. The middle class paid about 8% of their incomes in federal income taxes. Based on U.S. Congressional Budget Office figures, the very rich pay just under 2% of their incomes toward social security, while the middle class pays just under 10%. According to a study by The Institute on Taxation and Economic Policy, the very rich pay about 7% of their incomes in state and sales and property and excise taxes, while the middle class pays approximately 10%. Another year of Bush tax cuts will reduce the taxes of the very rich by at least 3% more than the middle class.

So total taxes for the very rich are 29% of their incomes (23% + 2% + 7% - 3%). Total taxes for the middle class are 28% of their incomes (8% + 10% + 10%). These figures agree with CTJ's 2011 estimate of total taxes paid.

2. Tax Rates Are Too High

In 2009, the United States ranked 26th out of 28 OECD countries in total federal, state, and local taxes as a percent of GDP. Only Chile and Mexico had lower tax rates.

According to the Center on Budget and Policy Priorities, "federal taxes on middle-income Americans are near historic lows." For taxpayers in the top 1%, the tax burden has fallen dramatically in recent years.

At very high income levels, beginning at about the million dollar range, federal income tax actually becomes regressive. Effective tax rates level off at about 25%, and then go down from there. This is because all incomes over \$388,000 are subject to the same 35% maximum. The \$4 billion hedge fund manager pays no more, percentagewise, than the \$400,000 doctor. In fact, even less. At the highest levels most of the income comes from capital gains, which are taxed at 15%.

How about corporations? Even worse. They paid only 12.1% in 2011, dramatically lower than the 25% average since 1987. According to U.S. Office of Management and Budget (OMB) figures, they're paying about a THIRD of the inflation-adjusted share of GDP paid by corporations in the 1960s.

Compared to foreign countries, U.S. corporations paid a smaller rate of income taxes than 24 of 25 OECD countries analyzed by the Office of Management and Budget and the Census Bureau.

Most stunning is the shift in taxpaying responsibility from corporations to workers over the years. For every dollar of workers' payroll tax paid in the 1950s, corporations paid three dollars. Now it's 22 cents.

3. Tax Cuts Boost the Economy

In the 1970s, University of Chicago economist Arthur Laffer convinced Dick Cheney and other Republican officials that lowering taxes on the rich would generate more revenue. The delusion has persisted to this day.

Soon after the Reagan tax cuts, in 1984, the U.S. Treasury Department came to the logical conclusion that tax cuts cause a loss of revenue. A 2006 Treasury Department study found that extending the Bush tax cuts would have no beneficial effect on the U.S. economy.

Other sources confirm that economic growth was fastest in years with relatively high top marginal tax rates.

The reality is that supply-side, trickle-down economics simply hasn't worked. Various economic studies have concluded that the revenue-maximizing top income tax rate is anywhere from 50% to 75%.

4. Eliminating Tax Breaks for the Rich Wouldn't Significantly Reduce the Deficit

First of all, just eliminating the Bush tax cuts on the highest-earning 5% of Americans could knock \$150 billion off the deficit. Congressional Budget Office data shows that the tax cuts have been the single largest contributor to the return of substantial budget deficits in recent years.

But there's so much more. The IRS estimates that 17 percent of taxes owed were not paid, leaving an underpayment of \$450 billion.

Most of the annual \$1.3 trillion in "tax expenditures" (tax subsidies from special deductions, exemptions, exclusions, credits, and loopholes) goes to the top quintile of taxpayers. One estimate is \$250 billion a year just to the richest 1%.

Another \$100 billion could be retrieved by collecting taxes from Fortune 500 companies at the 26% rate paid from 1987 to 2008. CTJ puts the figure at over \$200 billion.

Worse yet is the loss from tax havens, which the Tax Justice Network estimates as \$337 billion.

Despite some overlap in these figures, it all adds up to a pretty good chunk of the deficit.

5. A Financial Transaction Tax (FTT) Would Hurt the Economy

This fallacy would have us believe that a tiny tax on financial transactions is going to hurt the economy, even though the underlying reason for our economic collapse was the excessive, reckless, unrestrained, free-for-all trading of trillions of dollars of speculative derivatives.

The inventiveness of this fallacy is impressive, with claims of lost jobs, harm to ordinary investors, and the threat of exchanges moving overseas. *The Wall Street Journal* calls the FTT a "sin tax."

An FTT isn't likely to interrupt the global trading frenzy or cause any sudden defections from financial megacenters. The United Kingdom has had a tax on stock trades for decades, and the London Stock Exchange is humming along as the third largest exchange in the world. The CME Group, made up of the Chicago Mercantile Exchange and the Chicago Board of Trade, had a profit margin higher than any of the top 100 companies in the nation from 2008 to 2010.

On the contrary, the FTT has extraordinary revenue-generating potential, on a global scale. The Bank for International Settlements reported in 2008 that annual trading in derivatives had surpassed \$1.14 quadrillion (a thousand trillion dollars!). For the U.S. alone, revenue estimates by the Center for Economic and Policy Research and the Chicago Political Economy Group approach a half-trillion dollars annually.

And at the more basic level of simple fairness, it should be noted that while an American mother pays nearly a 10% sales tax on shoes for her kids, millionaire investors pay .002 percent (2-thousandths of a percent) for a financial instrument. That kind of tax disparity is what really hurts.

(Paul Buchheit is a college teacher, an active member of US Uncut Chicago, founder and developer of social justice and educational websites (UsAgainstGreed.org, PayUpNow.org, RappingHistory.org), and the editor and main author of *American Wars: Illusions and Realities* (Clarity Press). He can be reached at paul@UsAgainstGreed.org.)

[20120430-08](#) 18:54 Art Re: "Five Tax Fallacies Invented by the 1%" (reply to Dennis, above)

Really good! Thanks!

[20120430-09](#) 18:56 SteveG Re: "Five Tax Fallacies Invented by the 1%" (reply to Dennis, above)

And I guess everyone has heard of Apple diverting some of its profits from California to Nevada, 2 locations in Ireland, the Netherlands, and to places in the Caribbean for a US tax paid of 9.8%.

[20120430-10](#) 18:59 Art Re: "Five Tax Fallacies Invented by the 1%" (reply to SteveG, above)

Even Trump (not that I really care what he thinks) says unfair.

[20120430-11](#) 19:16 Pam Re: "Five Tax Fallacies Invented by the 1%" (reply to Art, above)

I'm so horrified by everything I keep reading on FotM, but I know there are people who are just as horrified by what they read on the other side. I sent my best friend the piece on Republican obstructionism that Dennis posted, and she responded that she's read the same thing on the other side. Her solution is to be an Independent. Are we on the verge of forming a third party? Maybe we've outgrown the ones we currently have.

[20120430-14](#) 19:41 SteveG Re: "Five Tax Fallacies Invented by the 1%" (reply to Pam, above)

We were warned in the beginning of the country not to become a 2 party system, but as usual we did not listen as a country. Dem, repub, independent – it is all the same as long as we have the same rules – Corporations are people, voting system, lobbyists, etc.

[20120430-15](#) 19:50 Pam Re: "Five Tax Fallacies Invented by the 1%" (reply to SteveG, above)

I blame the current Supreme Court. Their decisions have been outrageous, and unless Obama is re-elected, there will be more right-wingers appointed. It could take us generations to undo the damage. That thing about Newt was certainly chilling. He really is the devil. What is it with these people? I really want to know why they are so hateful.

[20120430-12](#) 19:30 SteveBA Fw: What Are the Facts? (About Romney's Being Rich)

Saw this and thought of you liberals crying over Romney being rich.

What are the Facts?

It just occurred to me... With all the noise the media is making about Romney's wealth, I don't recall such bluster and hand-wringing over the Kennedy fortune. Or, for that matter, John Kerry. Or the fact that John Kerry gave virtually nothing to charity while Romney gave something on the order of \$4 million...in addition to his entire inheritance from his father.

Oh. Wait. I just remembered. Romney is Republican. Kerry and the Kennedy's are Democrats.

Also, Romney worked for his money. Kennedy inherited his. And Kerry married it.

Never mind. Nothing to see here folks. Move along

"If you don't read the newspaper, you're uninformed. If you read the newspaper, you're misinformed." —Mark Twain

[The difference is that, now, the rich have gotten richer and the poor have gotten poorer. Or haven't you noticed? And Romney is an empty-headed, empty-hearted, arrogant richy-rich guy we don't like. Sorry. —SteveB]

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| 20120430-13 19:32 Dale "The Trust Molecule" |
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Thought you might enjoy this:

"The Trust Molecule" by Paul J. Zak, *The Wall Street Journal*

Apr. 27, 2012, (<http://online.wsj.com/article/SB10001424052702304811304577365782995320366.html>)

(Why are some of us caring and some of us cruel, some generous and some greedy? Paul J. Zak on the new science of morality— and how it could be used to create a more virtuous society.)

(Why are some people trustworthy, while others lie, cheat and steal? Part of the answer may reside in a hormone called oxytocin. Claremont Graduate University's Paul Zak talks with WSJ's Gary Rosen about how a "vampire wedding" helped him understand how this chemical works to control trust, empathy and virtue.)

Could a single molecule—one chemical substance—lie at the very center of our moral lives?

Research that I have done over the past decade suggests that a chemical messenger called oxytocin accounts for why some people give freely of themselves and others are coldhearted louts, why some people cheat and steal and others you can trust with your life, why some husbands are more faithful than others, and why women tend to be nicer and more generous than men. In our blood and in the brain, oxytocin appears to be the chemical elixir that creates bonds of trust not just in our intimate relationships but also in our business dealings, in politics and in society at large.

Known primarily as a female reproductive hormone, oxytocin controls contractions during labor, which is where many women encounter it as Pitocin, the synthetic version that doctors inject in expectant mothers to induce delivery. Oxytocin is also responsible for the calm, focused attention that mothers lavish on their babies while breast-feeding. And it is abundant, too, on wedding nights (we hope) because it helps to create the warm glow that both women and men feel during sex, a massage or even a hug.

Since 2001, my colleagues and I have conducted a number of experiments showing that when someone's level of oxytocin goes up, he or she responds more generously and caringly, even with complete strangers. As a benchmark for measuring behavior, we relied on the willingness of our subjects to share real money with others in real time. To

measure the increase in oxytocin, we took their blood and analyzed it. Money comes in conveniently measurable units, which meant that we were able to quantify the increase in generosity by the amount someone was willing to share. We were then able to correlate these numbers with the increase in oxytocin found in the blood.

Later, to be certain that what we were seeing was true cause and effect, we sprayed synthetic oxytocin into our subjects' nasal passages—a way to get it directly into their brains. Our conclusion: We could turn the behavioral response on and off like a garden hose. (Don't try this at home: Oxytocin inhalers aren't available to consumers in the U.S.)

More strikingly, we found that you don't need to shoot a chemical up someone's nose, or have sex with them, or even give them a hug in order to create the surge in oxytocin that leads to more generous behavior. To trigger this "moral molecule," all you have to do is give someone a sign of trust. When one person extends himself to another in a trusting way—by, say, giving money—the person being trusted experiences a surge in oxytocin that makes her less likely to hold back and less likely to cheat. Which is another way of saying that the feeling of being trusted makes a person more...trustworthy. Which, over time, makes other people more inclined to trust, which in turn...

If you detect the makings of an endless loop that can feed back onto itself, creating what might be called a virtuous circle—and ultimately a more virtuous society—you are getting the idea.

Obviously, there is more to it, because no one chemical in the body functions in isolation, and other factors from a person's life experience play a role as well. Things can go awry. In our studies, we found that a small percentage of subjects never shared any money; analysis of their blood indicated that their oxytocin receptors were malfunctioning. But for everyone else, oxytocin orchestrates the kind of generous and caring behavior that every culture endorses as the right way to live—the cooperative, benign, pro-social way of living that every culture on the planet describes as "moral." The Golden Rule is a lesson that the body already knows, and when we get it right, we feel the rewards immediately.

This isn't to say that oxytocin always makes us good or generous or trusting. In our rough-and-tumble world, an unwavering response of openness and loving kindness would be like going around with a "kick me" sign on your back. Instead, the moral molecule works like a gyroscope, helping us to maintain our balance between behavior based on trust and behavior based on wariness and distrust. In this way oxytocin helps us to navigate between the social benefits of openness—which are considerable—and the reasonable caution that we need to avoid being taken for a ride.

Consider a real-life experiment that I conducted with a bride named Linda Geddes. A writer for the British magazine *New Scientist*, Linda had been following my research and thought it would be fun to see if the emotional uplift of her wedding would alter the guests' levels of oxytocin.

I arrived at the venue, a Victorian manor house in the English countryside, with a 150-pound centrifuge and 70 pounds of dry ice. I unpacked my equipment—syringes, 156 pre-labeled test tubes, tourniquets, alcohol preps, Band-Aids—and got to work. The plan that I'd worked out with Linda was to take two samples from a cross section of the friends and family in attendance—one draw of blood immediately before the vows and one immediately after.

After all the blood had been drawn, I slipped out with my test tubes nestled in their cushion of dry ice. It took two weeks for the samples to arrive at my California lab via FedEx, but the results showed just what we were hoping for: a simple snapshot of oxytocin's ability to read and reflect the nuances of a social situation.

The changes in individual oxytocin levels at Linda's ceremony could be mapped out like the solar system, with the bride as the sun. Between the first and second draws of blood, which were only an hour apart, Linda's own level shot up by 28%. For the other people tested, the increase in oxytocin was in direct proportion to the likely intensity of their emotional engagement in the event. The mother of the bride? Up 24%. The father of the groom? Up 19%. The groom himself? Up 13%...and on down the line.

But why, you may ask, would the groom's increase be less than his father's? Testosterone is one of several other hormones that can interfere with the release of oxytocin, and the groom's testosterone level, according to our blood test, had surged 100%! As the guests admired Linda in her strapless bridal gown, he was the alpha male.

Our study at the wedding had demonstrated just the kind of graded and contingent sensitivity that allows oxytocin to guide us between trust and wariness, generosity and self-protection. Should I feel safe and warm and cuddly in this crowd, or do I have to be on guard? Or maybe it is a situation in which the best outcome results from oxytocin dominating in one person and testosterone driving the other.

It is the sensitivity of oxytocin in its interaction with a range of other chemical messengers that helps to account for why human behavior is so infinitely complex—and why the bliss of the wedding day (and night) is often hard to maintain. (Consider the old joke about the guy who couldn't understand why his wife was unhappy. "I told you that I loved you when I asked you to marry me," he said. "I don't see why I need to tell you again.")

But there is a larger payoff from this research: After centuries of speculation about human nature and how we decide what is the right thing to do, we at last have some news we can use—empirical evidence that illuminates the mechanism at the heart of our moral guidance system. So what can we do to shift behavior a bit more toward the expression of oxytocin and thus improve the workings of our entire society?

The experiments I have conducted show that many group activities—singing, dancing, praying—cause the release of oxytocin and promote connection and caring. As social creatures, we have created activities that prompt the expression of oxytocin in order to foster connection to others. In fact, those who release the most oxytocin when they are trusted are happier and healthier because they have richer social lives.

Even the sort of "social snacking" that happens through Twitter or checking out a friend's Facebook page can prompt an oxytocin surge. But the real criterion for success is whether these online activities complement more substantial personal connections. Does this form of communication foster human bonds or does it foster anonymity and abstraction to the point of cutting off empathy?

Another approach to tune oxytocin release is to seek exposure to people outside our own families or cultural and geographic "tribes." There are solid evolutionary reasons why our species developed the tendency to be wary of those whose physical appearances or behavioral patterns are different from our own. For millions of years an individual's social world was limited almost entirely to her village and tribe, and outsiders were, for good reason, considered a threat until proven otherwise. Yet research has shown that this suspicion is malleable, and it fades with exposure.

With worries on the rise about the country's cultural and political divisions, some bottom-up boosts of oxytocin, based on face-to-face interaction, could help. It might take the form of a domestic student-exchange program, allowing kids from the big cities and small-town, rural kids to get to know one another. The revitalization of urban life, with its varied and crosscutting relationships, is a step in the right direction, too. One city going in the opposite direction is Washington, D.C., where fraternizing across party lines—once the norm—is nearly unheard of these days. Acrimony on Capitol Hill reflects, in part, these oxytocin-starved relationships.

A few years ago, I began warning visitors to my lab that before they left, I was going to give them a hug. This scares some people, but I've found that my slightly eccentric announcement changes the depth of the conversation, making it more intimate, more engaging and more valuable to us both. I suspect that by forecasting a hug, I'm also signaling how much I trust the person, so I'm inducing a release of oxytocin in their brains. Those people, in turn, will connect better to others and treat them more generously. Nothing grander is required for a virtuous circle to begin.

(From *The Moral Molecule* by Paul J. Zak, to be published May 10 by Dutton, a member of Penguin Group (USA). Copyright © 2012 by Paul J. Zak.)

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|-------------|-------|--------|--------------------------|
| 20120430-16 | 20:25 | SteveB | Re: "The Trust Molecule" |
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I like this. I've often thought about how each of us seems to have unique aspects to our brain chemistry. Thanks, Dale.

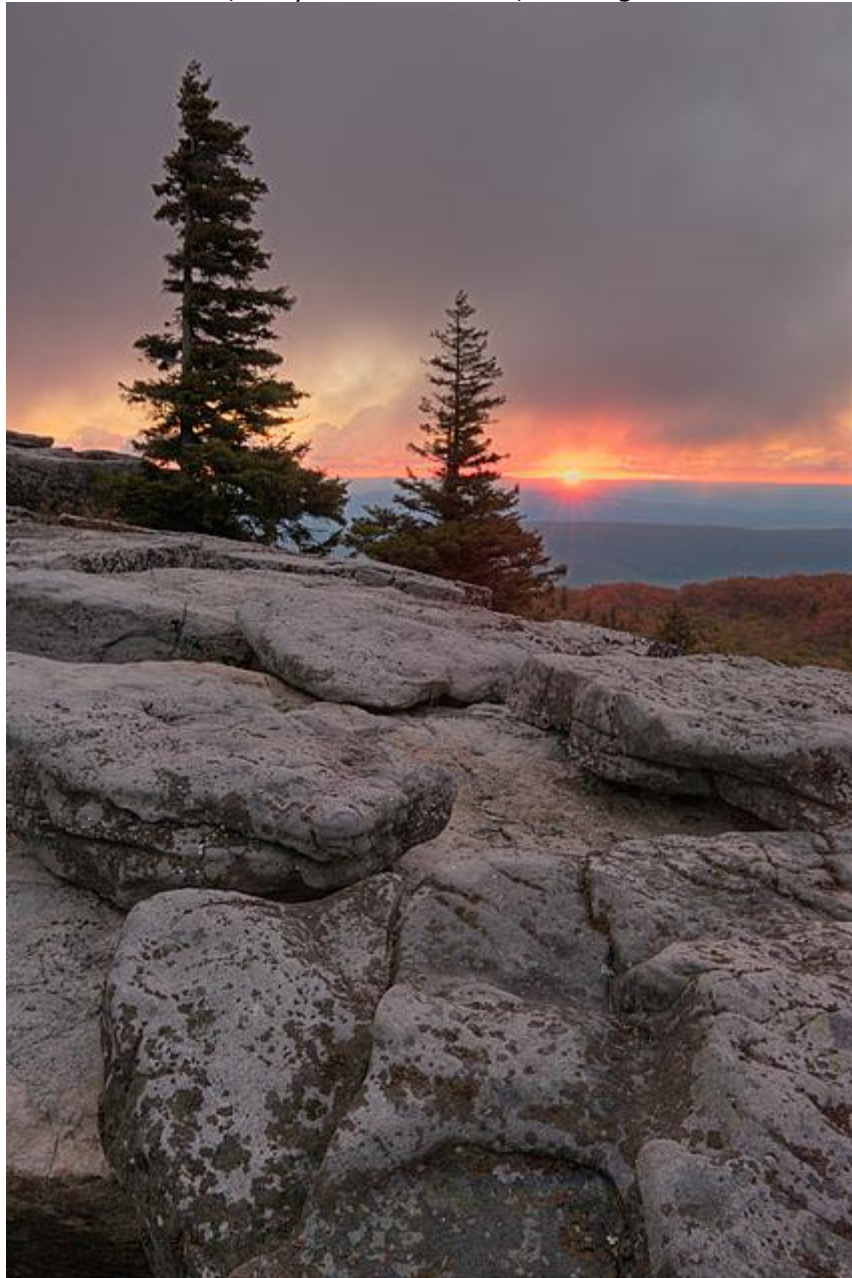
There are those who believe that, if you will only legislate to make the well-to-do prosperous, their prosperity will leak through on those below. The Democratic idea, however, has been that if you legislate to make the masses prosperous, their prosperity will find its way up through every class which rests up on them.

~ William Jennings Bryan, 1896



<http://blueridgetreks.wordpress.com/2009/07/04/forks-of-red-creek-dolly-sods-wv/>

Sunset at Bear Rocks, Dolly Sods Wilderness, Monongahela National Forest



—Friends of the Middle,
Steven W. Baker (SteveB), Editor/Moderator

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