

What's Next?

By Frank Llewellyn

After passage and signing into law of a modest health care plan, one would think that mainstream politicians would be ready to move to the next issue. Yet seven minutes after the president signed the bill, 14 attorneys general, all but one of them Republicans, filed lawsuits of dubious merit in the hope that the judiciary would turn their loss into a victory. Republicans promise to make repeal a central plank of the 2010 and 2012 elections, when their “charge” of “it’s socialism” will be heard for the umpteenth time.

In DSA we never expected more than the passage of an imperfect bill that we could work in coalitions to improve. The health care system this legislation establishes is a far cry from what this country needs. DSA has been fighting for a single-payer, Medicare-for-all approach to national health care for more than two decades. We expect to continue to fight for that approach in a number of states, especially in California, as the state legislature has passed single payer legislation in the past, only to have it overturned by a gubernatorial veto. We will also be paying attention to what happens nationally. The administrative rule-making process that precedes the implementation of the bill must be monitored so that the legislation is not made worse. We will continue to fight for improvements to “Obama care” while doing our best to dispel the myth that this bribe to the private insurers so that they don’t dump patients is “socialism.” DSAers in every state and city should be prepared to rebut distortions with letters to the editor and op-eds that talk about what socialism really is – and what true social democratic public provision would look like, particularly when health care is the paradigmatic public good that markets, let alone for-profit oligopolies, simply cannot justly and affordably supply.

In the next few years DSA health care activists should work to reduce the tension between those sisters and brothers who went primarily for the “public option” approach and those of us who were for “single payer.” Neither group achieved its desired outcome, not because we weren’t unified behind a common program, but because the insurance companies’ and health care providers’ lobbies were too strong. Neither progressive advocacy group was able to demonstrate, in political terms, that we represented a movement strong enough to punish politicians who didn’t support our demands. Progressives must now work to ensure that some conservative Democrats who did not support the final bill will be punished with primaries or even third party challenges. In New York State, for example, the Working Families Party (WFP) threatened to withhold support from, or actively oppose, representatives for whom the WFP provided winning margins in the past, but who voted “no” on the health reform bill. And the labor movement also vowed to remember how people voted on this issue in this year’s election cycle. Those of us committed to true public provision of health care can reunite by participating in such efforts.

Politically, passage of the bill is a positive step. First, because it keeps open the possibility of passage of other reforms in this Congress, and second, because it should create millions of new stakeholders in a health care system governed by democratically established rules rather than by the fiats of private insurers. The Right will attempt to use the bill’s shortcomings to generate public sentiment for repeal; progressives have to use those same shortcomings to generate public support for more short-term improvements, and in the long term to build support for the elimination of private insurers. If the subsidies are not high enough to make mandated coverage (starting in 2014) for currently uninsured working and middle class families affordable, there could be a serious populist backlash against the program.

But passage of the bill does keep the door open for popular movements to demand strict financial regulatory reform, immigration reform, massive aid to states and localities, and a much-needed public jobs program. DSA and the larger progressive movement must create street heat in favor of these anti-corporate measures, as well as for a just resolution to the foreclosure crisis, and an end to United States involvement in Iraq and Afghanistan.

As I write this article the Senate is turning to financial reform. The bill does not adequately re-regulate the banking sector (including the shadow banking system of hedge funds and private equity firms) so as to put an end to the over-leveraged speculation that put the entire economy at risk. The final bill must also include an independent Consumer Protection Agency to protect citizens from predatory behavior. In DSA’s view, neither the House bill that passed earlier this year, nor Senator Dodd’s bill, are strong enough. We must support progressive senators’ efforts to toughen the current Senate version. If the Republicans resort to filibusters, the Left should pressure Democrats to make the Republicans actually orally filibuster, instead of allowing another technical faux filibuster that allows GOP senators to obstruct reform absent the cost to reactionary Republican senators forced to obstruct in plain sight.

The issues around meaningful financial reform – the mortgage crisis, bonuses, risky trading in derivatives and other opaque financial instruments – can be affected by community organizing strategies as well as legislative ones. The large financial institutions that benefited from federal bailouts have used those funds to lobby against reform, award executives large bonuses and reap large profits from continued speculation that created the crisis in the first place. But their balance sheets are still vulnerable. Programs to move checking accounts and other demand deposits from money center banks to community banks or credit unions are one form of pressure that will make the bankers take notice – if such efforts are large enough.

Common action by underwater mortgage holders would be more difficult to organize, but potentially highly effective.

The failure of the Bush, and now Obama, administrations to force banks and other mortgage holders to reduce the value of underwater mortgages to current market value is generating wave after wave of foreclosures. The crisis has spread far beyond the sub-prime mortgage market as the recession deepened and tens of millions experienced job losses and substantially reduced income. But as few as 1,000 under-water-mortgage-holders acting in unison might be able to move hundreds of millions of dollars from the asset to the liability side of a bank's balance sheet, something that would strike fear in the hearts of bankers and their regulators. If our coalitions are creative, careful and well organized they might be able to accomplish some things that Congress hasn't. But creating solidarity among underwater mortgage holders who fear that refusing to pay interest on inflated property values could land them on the streets will necessitate an anti-foreclosure movement comparable to that of the early 1930s. Radicals played a key role in that movement to "put the furniture back in when the sheriff took it out" – and we will have to do so again.

The number one issue for the coming period is jobs. In December the House passed a \$150 billion jobs bill, which has languished in the Senate. So far two very small jobs bills, mostly focused on tax cuts, have gotten out of the Senate to become law. But absent substantial public jobs programs and massive aid to states and localities, the Great Recession will continue, and probably deepen. In the Senate, Senator Bernie Sanders (Ind-VT) sponsored a bill aimed at generating green jobs by providing rebates for solar panels; he has also co-sponsored other green jobs legislation. In the House of Representatives, George Miller (D-Ca.) introduced the Local Jobs for America Act that will appropriate \$75 billion over two years to local communities to hold off planned cuts or to hire back workers for local services who have been laid off because of tight budgets. Funding would go directly to eligible local communities and nonprofit community organizations to decide how best to use the funds.

We support these jobs bills, but all of them taken together are not large enough to generate the number of jobs required to turn the economy around, let alone make up for the massive layoffs likely to result from upcoming massive state and local budget cuts. DSA locals and individual members must join the rallies and demonstrations organized by the AFL-CIO, Jobs with Justice and others, behind the slogan "Make Wall Street Pay." Taxing Wall Street and bank bonuses issued this year would provide significant funds for job creation. It's

shocking how little congressional action has been proposed to support public sector jobs that provide critical services, especially in a recession. Seen just in economic terms, the likely layoff of close to one million state and local employees over the next 8-12 months could cut purchasing power sufficiently to create a double dip recession.

On March 21, tens of thousands of demonstrators rallied in Washington to demand immigration reform. At no point in the 14-month struggle for health care did we see a similar number of demonstrators turn out. If we had, perhaps that struggle would have seen a better result. Immigration reform that includes a *speedy* path to citizenship is a critically important issue, and legislative action remains an unfilled campaign promise. The drive for immigration reform has generated a genuine social movement whose energy will be needed if we are to counter the right-wing populism that has emerged in the last year.

And then there are the two wars. DSA continues to oppose them and supports congressional efforts to end funding for them. Each budget resolution and appropriation bill provides an opportunity to build a political coalition to de-fund the wars. When we are told false horror stories about the "fiscal irresponsibility" of deficit spending (in a Great Recession!) we must respond that cuts in wasteful "defense" spending, a restoration of progressive income tax rates to the pre-Reagan era, and a curtailment of massive waste in our health care system by instituting a single-payer alternative, would readily restore "fiscal balance" to the federal budget (and enable us to fund universal, high-quality social programs that serve basic human needs).

Many members of Congress will want to avoid any more "tough" votes before the elections. We must remind them that social and economic justice is not something they can run from and is good politics to boot.

Legislative fights are fast moving. DSANEWS, DSA's electronic newsletter, provides action alerts, and the latest news from our coalition efforts on legislation and direct organizing. We also will keep you posted on media coverage of DSA and report on significant actions by our local organizations. DSANEWS is the best way to keep informed about DSA's activity. We encourage every member to visit our web site www.dsausa.org and sign up for DSANEWS. ♦

Frank Llewellyn is the National Director of Democratic Socialists of America.