

# Socialism and the Politics of Fear

“Socialism” is now an active part of the Republican lexicon, among the litany of routine charges to be trotted out whenever they cannot come up with a substantive critique of policy initiatives they oppose. Beginning with a steady drum-beat from the far-right blogosphere during last year’s Democratic primary campaign, Republicans have attacked health care reform and modest progressive tax reform proposals as somehow “un-American,” “European,” and, God forbid, “socialist!”

When the Republicans lost the election and the Obama administration filled its Treasury positions with former Goldman Sachs executives, we socialists thought that was the end of such baseless charges. But when the Republicans found themselves with nothing to say about how to shore-up an economy in free-fall, they deemed the stimulus bill socialist – even though the architect of such policies, John Maynard Keynes, advocated a capitalist economic system.

Republicans and their media allies never really define what they mean by socialism. To some, it is an expansion in government spending (although many capitalist nations funnel more of their GDP through the public sector than the U.S. does). This past February, Fox TV host Glen Beck informed me on the air that Canada must be a socialist country because it had a universal health care system. That would be news to Canada’s socialist New Democratic Party, which has occasion-

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ally held power at the provincial level but has never won a federal election.

Whatever their definition of socialism is, the term is gaining currency among some Republicans as a form of blanket condemnation of the President and Democratic reform proposals. Recently, RNC Chair Michael Steele declared definitively that Obama’s health plan represented socialism, even though the Obama proposals most closely resemble the universal health insurance scheme of Germany – last we knew, an avowedly capitalist nation.

All this Republican chatter is letting me make a living telling people that Obama and his administration are not socialist – and as National Director of Democratic Socialists of America (DSA), the United States’ largest socialist organization, I ought to know. Just like the New Deal-era Roosevelt haters, these Republicans erroneously term a president who is trying to save capitalism from itself a socialist.

Contemporary democratic socialists want to mitigate the many adverse impacts that unregulated capitalist markets have on the lives of ordinary people by supporting intelligent democratic regulation of the economy (particularly the financial sector) and by using progressive taxation to finance high-quality public goods that can satisfy all citizens’ basic needs for health care, education, unemployment insurance, and job training. We do not wish to destroy markets for consumer goods or to confiscate personal property. Rather, we want to establish efficient government regulation of financial markets so that ordinary citizens can secure stable financing for the purchase of such important personal property as an affordable home.

In other developed democracies, national health care systems are so popular that once they have been established it is politically impossible to eliminate them. In a recent Gallup poll, while only fifty-seven percent of United States residents said they were satisfied with

their health care, over seventy-five percent of Canadians and Western Europeans said they would not trade their health care system for the current U. S. model. That is the real reason that Republicans are trying to sow doubt and prevent passage of a national health care bill: they want to protect the for-profit health care and pharmaceutical industries.

American socialists (and many more non-socialists, including 86 members of Congress) support HR 676, John Conyers' Medicare for All single-payer national health plan, which would replace the private insurance industry with a government agency but would preserve personal choice of physician and hospital care.

We socialists are deeply suspicious of the Democratic Party leadership proposals for health care. We worry that these proposals lack a sufficiently robust public insurance option to provide an effective check on the private insurers. Any comparative analysis of health care systems indicates that the greater the role of private, for-profit health insurance companies in the delivery of health care, the higher the cost. This is why the United States has the most expensive healthcare system in the world but trails well behind on crucial indicators of public health, such as infant mortality, longevity, and death of women in childbirth.

The insurance companies don't like the Democratic leadership plan because in theory they might have to face effective competition from a public insurance option. Democratic socialists don't trust the insurance companies enough to keep them in the health insurance market. But President Obama does, which makes it much more likely that the pay-or-play predominantly private insurance plan we distrust is likely to pass. So exactly how does that put the President in a "cabal," to use Michael Steele's word, to advance socialist goals?

This socialist-baiting is more than just name-calling. We are in the middle of a prolonged economic crisis brought on by unrestrained and unregulated capitalism. Since it arose from a crisis in the banking and housing sectors, this economic crisis in particular cannot be solved by normal market mechanisms. There is not sufficient private purchasing power to rejuvenate demand,

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and capital markets remain very tight. Financial institutions are unwilling to renegotiate under-water mortgages and are even reducing credit lines to borrowers with strong credit ratings. Absent government efforts to strengthen the rights of working people and organized labor, we face the likelihood of another jobless recovery and declining wages. The devastating decline in value of pensions, retirement accounts and housing means that many near retirement age and even many not so near to retirement will not be able to retire on schedule – and certainly not with dignity and security.

If the United States fails to democratically restructure its economy, we face a future of increased inequality and poverty. But the constant drumbeat of right-wing "socialist-baiting" makes it less likely that this administration will consider the public initiatives – such as investments in alternative energy, education, and health care – that could engender productive jobs at good wages. Reactionary forces have always utilized anti-socialism to oppose democratic reforms that constrain corporate power. Corporate America tried to red-bait Social Security, the GI Bill, and Medicare. But ordinary Americans rejected the politics of fear, and reforms passed that significantly improved the lives of average Americans. It will take Americans once again rejecting mindless anti-socialism to create sufficient support for the extensive reforms needed to address this deep and systemic economic crisis.

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