New American

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Correction, Please!

How Socialist Is Bernie Sanders? Very!

Item: A front-page article in the Washington Post for March 3 attempted to draw parallels between the "populist pair" Bernie Sanders, a "democratic socialist" who is running for president, and President Donald Trump. They are both, said the paper, "reframing" American politics (while acknowledging that their "goals" do differ). The emphasis of the article was on Sanders.



Said the left-wing Post: "For Sanders, whose movement is based in economic inequality, the culprits are the financial elite, billionaires and chief executives who have succeeded while workers have either been laid off or watched their wages stagnate in an economy where costs are otherwise rising.... The tenets of the Sanders platform follow suit: enacting a Medicare-for-all government healthcare system, steep new taxes on 'the billionaire class,' free college for all Americans and sharp cutbacks in U.S. military interventions overseas — a fundamental expansion of the role of government in the United States."

Item: Writing in the New York Times for February 13, radical economist Paul Krugman penned a piece called "Bernie Sanders Isn't a Socialist." He began with a shot at the Right, saying: "Republicans have a long, disreputable history of conflating any attempt to improve American lives with the evils of 'socialism.'"

Then he stepped up the duplicity: "The thing is, Bernie Sanders isn't actually a socialist in any normal sense of the term. He doesn't want to nationalize our major industries and replace markets with central planning; he has expressed admiration, not for Venezuela, but for Denmark. He's basically what Europeans would call a social democrat." Krugman made it clear: "If Sanders is indeed the nominee, the Democratic Party should give him its wholehearted support."

Item: The Washington Post for March 3 carried an article about Sanders called "The Reagan of the left." The piece by Sam Tanenhaus was a stretch in many regards — saying both Bernie Sanders and Ronald Reagan had been considered "fringe" figures who "shrugged off their detractors."

Item: "How Socialist Is Bernie Sanders?" is the title of a piece in the New Yorker magazine dated March 2. In it Michael Kazin, a professor of history at Georgetown University and a co-editor of the socialist magazine Dissent, says Sanders channels FDR, "saying he's going to complete the New Deal." In a sense, Sanders is "going along with the social democratic tinge of the New Deal and arguing [that Franklin] Roosevelt would be supporting Medicare for All, free college, the Green New Deal."

Correction: A whole lot of sleight of hand has been employed in an attempt to fuzz over Bernie Sanders' ultimate aims. It was most obvious when Sanders appeared to be the favorite for the nomination.

But he is not another Trump or Reagan or even an FDR. When a dedicated admirer of totalitarian Cuba

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and Nicaragua (among other dictatorships) says he wants a political revolution, he's not kidding. And many of those portraying Sanders as a moderate "Scandinavian-style" social democrat have underlying political motives.

(History rewriters generally ignore that it was candidate Roosevelt who blasted his predecessor Herbert Hoover for "reckless and extravagant" spending and for believing "that we ought to center control of everything in Washington as rapidly as possible." And, then, when in office, FDR did his utmost to do just that. Critics often called FDR a socialist, even if he did not so self-identify. Reagan was opposed to socialism outright. In his words, "Socialism only works in two places: Heaven where they don't need it, and hell where they already have it.")

Whether Sanders has a real shot at the Democratic Party's nomination is still uncertain as we write. Regardless, the Vermont senator has driven the Democrats far to the left. Back in June 2019, even *Time* magazine (in a cover story "Building a Better Bernie") recognized that "much of the Sanders program has become de rigueur for progressives and centrist Democrats alike."

Fiscal estimates about the costs of San-ders' potential programs reel the brain. The totals vary depending on methods and what is being measured — with all being overwhelming. Economist columnist Robert Samuelson (*Washington Post*) rounded down the spending to \$50 trillion over a decade (with the overall level of taxation potentially doubling). Cornerstone Macro, an investment firm, has pegged the promises at \$67 trillion (*Wall Street Journal*). The *Atlantic* included a number of breakdowns in a piece called the "The Sixty Trillion Dollar Man," including one that dwarfs the spending in FDR's New Deal (in terms of federal expenditures as a share of GDP) and another that projects the tax surge needed as "about as large as the [13-point] tax increases enacted to finance World War II."

Across the pond, the London-based *Economist* (which is decidedly not a conservative publication) says Sanders' programs put those of Jeremy Corbyn, Britain's failed Labour Party leader, "to shame."

Ryan Bourne, writing in CapX (a British online news website), rightly observes that it is "grossly misleading" to suggest that Sanders' ambitions "stop at a Scandinavian-style welfare state." The senator also "proposes massive new market interventions, including the Green New Deal, a federal jobs guarantee, expansive price and wage controls, overhauling labor and corporate governance laws, and enforced mutualization of companies."

By way of comparison, Bourne assesses the Labour Party's manifesto in 2019 and the Sanders' economic platform. "Doing so," he concludes, "makes clear that Bernie is more radical than Corbyn on economics, both in absolute terms and relative to their countries' respective politics." Take, for example, the size of government. As Bourne writes,

The Manhattan Institute's Brian Riedl calculates that Sanders' promises would add \$97.5 trillion to spending over a decade, taking total annual US government spending to around 70 percent of GDP and more than doubling the size of the federal government. Even if climate investments prove a one-off, spending would settle at a massive 64 percent of GDP. That's far higher than Labour's planned 44 percent and even France's current 57 percent (itself the highest in the OECD [Organization for Economic Co-operation and Development]).

Veronique de Rugy, a senior research fellow with the Mercatus Center at George Mason University, points out that Sanders does have a list of about \$23 trillion in new taxes that could be used (in part) for



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"his \$97 trillion in spending — but at least he admits that new taxes on the middle class would be required."

There's plenty to cover. Here's another one: Sanders' job guarantee. This would be a program to offer everyone in the United States a job guaranteed at \$15 per hour, with full benefits. No European country does this. "If implemented," says Bourne, "the federal government would become the largest global employer by far."

Here's yet another. Americans would get to hand over to foreign countries lots of greenbacks as part of the green eco-cause. Bernie said, in a questionnaire from the Council on Foreign Relations, that should he become president, he would "orchestrate a multilateral campaign — a Green New Deal for the World — to coordinate investment in green technology and make that technology widely available through long-term financing for the poor countries that currently depend on coal and other fossil fuels."

The U.S. government under Sanders would "invest" \$200 billion in the Green Climate Fund," according to his campaign website. As observed by Marc Theissen of the American Enterprise Institute, when you compare this to other Sanders massive plans, it might seem "like a drop in the bucket." It is not, as the columnist explains:

The entire US foreign aid budget is less than \$50 billion annually — spending \$200 billion over 10 years would represent a roughly 40 percent increase in foreign aid.

There is apparently no end to how generous socialist Sanders is willing to be with other people's money.

Such mammoth amounts of money can be difficult to comprehend. But consider just one aspect of Sanders' package — the Green New Deal — and how it might affect a typical American family. A study released not long ago took a look at how this would affect the nation's economy — in terms of increased electricity costs, new vehicles, buildings, and shipping. Food costs would rise as a result and a carbon tax would be imposed on farmers.

"The Green New Deal would drive middle-class families into poverty by imposing staggering annual costs of more than \$40,000 per household," according to the research director for the Wisconsin Institute for Law & Liberty, as quoted by the *Milwaukee Journal Sentinel* in late February. According to the study, the Green New Deal could cost an average household more than \$75,000 in the first year of implementation and more than \$40,000 for each year thereafter. (The study analyzed Alaska, Colorado, Florida, Iowa, Michigan, New Hampshire, New Mexico, North Carolina, Ohio, Pennsylvania, and Wisconsin.)

And the study found that Wisconsin's dairy industry would be hit with \$2.5 billion in payments to meet the additional environmental standards. When it comes to moola, it adds up to \$2,000 per cow.

Here are some more macro-figures on what Sanders could cost us if his proposals were to be instituted — as calculated by Casey Mulligan, a professor of economics at the University of Chicago. Mulligan served as chief economist of the White House Council of Economic Advisers (CEA) from 2018 to 2019. He discussed his findings in *City Journal*, a publication of the Manhattan Institute for Policy Research.

The professor, who used data from CEA's Economic Reports of the President, evaluated the impact of Bernie's socialist policies within five to 10 years of implementation. Among other findings, said Mulligan, "the Sanders agenda would reduce real GDP and consumption by 24 percent, assuming that

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its taxation was efficient and prudent (focusing on labor and consumption taxes, rather than taxes on wealth, for example). Real wages would fall more than 50 percent after taxes, and employment and hours worked would fall a combined 16 percent."

All this free stuff, it seems, is very expensive. Naturally, Bernie has that covered in his rather selective philosophy. Millionaire Sanders, in fact, has insisted that, in his words, "billionaires should not exist." The purported cure is heavy taxes. As it happens, however, the supposed socialist models in Scandinavia are not as described by Sanders. Indeed, as pointed about by Mark Perry, a professor of economics and finance at the University of Michigan's Flint campus, Sweden and Norway have many more billionaires per capita than in the United States. There are 56 percent more in Norway (2.8 vs. 1.8 per million) and 81 percent more in Sweden (3.25 vs. 1.8 per million).

Moreover, as acknowledged by CNN's Fareed Zakaria in a *Washington Post* op-ed, those "billionaires are able to pass on their wealth to their children tax-free. Inheritance taxes in Sweden and Norway are zero, and in Denmark 15 percent. The United States, by contrast, has the fourth-highest estate taxes in the industrialized world at 40 percent."

When facing criticism over his praise of Castroite Cuba, Sanders recently maintained, "I'm not looking at Cuba. I'm looking at countries like Denmark and Sweden." Yet, even the former prime minister of Denmark acknowledged not long ago: "Some in the U.S. associate the Nordic model with some sort of socialism.... Denmark is a market economy."

Sanders may be stuck in the 1970s, when Sweden, for example, was mired deeply into socialism (from which it has been escaping). Last year, the *Wall Street Journal* interviewed Swedish author and historian Johan Norberg on this subject. For 20 years, pointed out Norberg, "from 1960 to 1980, we doubled the size of the government spending as a percentage of GDP. That's the aberration in Swedish history."

As noted by the Journal's Adam O'Neal on August 23, 2019,

American leftists, even those who shy away from the "socialist" label, generally call for higher taxes on "the rich" to support an expanded welfare and entitlement state. That, too, misapprehends the Swedish example. "We have much higher taxes on the poor and the middle classes than you do," Mr. Norberg says. "And this is the dirty little secret that no one in the American left wants to talk about." Nonprogressive taxes on consumption, social security and payroll are 27% of Swedish gross domestic product, 16 points higher than in the U.S.

There are many features that Bernie and his Sanderistas don't trumpet when promoting gigantic government programs.

Upton Sinclair, the well-known author and political activist who unsuccessfully ran for Congress decades ago for the Socialist Party, wrote about this in 1951 to Norman Thomas, the six-time presidential candidate for the Socialist Party of America. As Sinclair put it in his letter: "The American People will take Socialism, but they won't take the label."

This inclination is what Biden is betting upon and what Sanders is trying to overcome.

— William P. Hoar

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