

All Presidential Politics Is Local

In the midst of a growing flurry of campaign rhetoric, news coverage, and political commentary on the 2012 presidential election, it will be important for those of us in East Central Ohio to explore two related questions: How will the presidential election affect the local communities in our region, and how might the values and concerns of our region affect the presidential election?

There's an old adage, made famous by former House Speaker Tip O'Neill, which says "all politics is local." As the 2012 presidential campaigns gear up for summer conventions and then the general election, a lot of attention is being paid to the national race, and to the national issues that are shaping it. But a presidential election isn't truly a national race. Instead, the candidates must compete in 50 separate state contests for electoral votes, and within each of these states are scores of local communities, each with their own values, issues, concerns, and priorities. It is here that presidential elections are truly won and lost.

Ohio is a key battleground state in this election, and both candidates understand that without the Buckeye State in their win column, spending the next four years in the White House may be an impossible dream. But our state is one of contrast and diversity from one community to the next. Whether farmland or factory town, wealthy suburb or poor inner city, conservative bastion or liberal stronghold, each of these communities must be understood on their own terms. What values are most important to the people there, and what issues and challenges are they facing in their daily lives? Collectively and as individuals, we need to feel that the candidates are in touch with what's important to us, that they understand our hopes and fears, and that they care enough to address them once in office. Without this crucial connection, people may not see a reason to vote for a particular candidate or, worse yet, to vote at all on Election Day.

All of this begs the question: What issues are most important to us here in East Central Ohio? What are the most important challenges that we face in the region, and how do we want our next president to address them? What values do we most cherish, and how would we like to see them preserved and protected in Washington? While we certainly won't all be on the same page on every issue, those debates and disagreements are also a vital part of this necessary conversation. Simply put, when the candidates come calling – and they have already started – will they get a clear and complete understanding of who we are and what's most important to us?

But it's not enough for the people in any given community just to know what they stand for and what they want from their elected officials in Washington. It is crucially important that those people stand up and speak out on their own behalf. In a region like East Central Ohio, without the deep pockets of ultra-rich campaign donors or the densely populated urban centers that naturally attract candidates, this civic responsibility to stand up tall and speak out loudly is even more essential. Why? Because without this effort to demand the attention of those running for office, the region will be destined to remain a series of pass-through communities, good enough to pause for gas and a photo-op between campaign stops, but not deemed important enough for the candidates to stay and listen to the concerns of its people.

So where do we begin? As a vital region of a key battleground state in a presidential election that has the attention of the entire country, there is no better time than now for us to stand and be

heard. It starts with each of us making a commitment to be informed on the issues that matter to the region. It starts with energizing our friends and neighbors to do the same. And it starts with joining the growing civic conversation on what's most important to our communities and the region in general. Once this conversation is underway, we can then begin to convince the candidates that they should stop and stay for a while in East Central Ohio.

Let's start the conversation now.

Wile E. Coyote and the Fiscal Cliff

With the holidays behind us, there are likely at least three things that most people are glad not to hear for a while: the two solid months we had of holiday commercials, the endless renditions of "Santa Claus is Coming to Town," and the non-stop news coverage of the "fiscal cliff." But in all three cases, they haven't really gone away. They've just been temporarily shelved, and will be back around again sooner than we might think.

Like Wile E. Coyote in an old Road Runner cartoon, our elected officials in December chased an elusive bipartisan deal to prevent a wide array of tax increases and spending cuts from taking effect on January 1st. As in the cartoon, though, they weren't able to capture what they were after, and on December 31st when no deal had been ratified yet, we actually did step off the so-called fiscal cliff. But we didn't fall – yet. A short-term deal was signed into law on January 2nd that averted the immediate crisis, but it only served to delay the larger battle over taxes and spending that will now likely take place in February or March. As a result, the country is collectively out beyond the precipice of that cliff, hovering helplessly in mid-air and facing the very real prospect that we may plummet into recession, higher unemployment, and a host of other economic woes if a long-term deal is not reached.

The crisis itself is a result of the convergence of pending tax changes and budget reduction requirements that, if not resolved by the end of 2012, would result in significant tax increases and nearly across-the-board cuts to federal discretionary spending (called sequestration). On the taxation side, issues included the pending expiration of the Bush tax cuts, a reduction in the alternative minimum tax threshold which would have many more people paying higher rates, expiration of the payroll "tax holiday" measure that meant a 2% increase in payroll taxes for millions of Americans, and new taxes brought about by the Affordable Care Act (so-called "Obamacare"). With regard to budget reduction issues, these stemmed from the requirements of the Budget Control Act of 2011, which said that if a joint House-Senate committee (the so-called "super-committee") could not agree on a plan to cut the budget deficit by \$1.2 trillion over ten years, there would be mandatory cuts to most discretionary programs, both military and non-military, starting on January 1st. This super-committee, which was supposed to have crafted an agreement by late November, did not do so at all. Meanwhile, there was little agreement on which tax provisions should be allowed to expire, take effect, or be renewed. Negotiations between the White House and Capitol Hill became acrimonious in short order, and in the end only a short-term "patch" could be approved and the larger issues put off for two months.

This decision to "kick the can down the road," as pundits and politicians have characterized it, has brought about another type of "cliff." The debt ceiling can be thought of as our national

credit limit, the maximum amount that the government can borrow at any given time. We recently exceeded that limit with a staggering national debt of nearly \$16.5 trillion. The Treasury and other agencies have employed financial maneuvers to buy additional time, but that time will run out sometime in February or March. If the debt ceiling is not raised by Congress at that time, the US could default on its debt obligations and plunge the American economy – and by extension, the world economy – into dire straits once more. Given the timing of these issues, it is believed that a vote on the debt ceiling may be used as a political negotiating tool in the debate over deficit reduction.

For those who may not remember, there was one episode where Wile E. Coyote actually caught the Road Runner. But after so many years of doing the same things over and over, and failing time and again, he simply didn't know what to do once the Road Runner was caught. Indeed, failure was such a constant reality for so long that it became his identity, the very definition of how he was perceived. And, while a few may secretly have hoped that he would eventually get it right, most of us never believed that it would happen, that it just wasn't something that he was capable of doing. Sound familiar? Let's hope that if our elected officials in Washington can do the unlikely, if they can transcend the "politics as usual" strategy and actually reach a long-term bipartisan agreement this spring, that they can somehow learn to build on that success for the sake of those whom they are supposed to represent, the American people.

The Presidential Politics Of Outsourcing

Outsourcing. The word itself is often spoken with such a baneful and sinister tone that one can almost hear ominous music playing whenever it is said aloud. It has been a staple of political discourse for decades, and in recent weeks has taken center stage in this year's presidential election. Why is it such an important campaign issue, and where does Ohio fit into the debate? Is this a legitimate political discourse, or merely a strategy of fear mongering designed to garner votes in November? Are there concerns about outsourcing that reach beyond politics and the economy?

Economic issues are often central in presidential campaigns. In 1992, Clinton campaign strategist James Carville reminded campaign workers not to forget that it's "the economy, stupid," correctly believing that a continued focus on economic issues would lead to a presidential victory. Well, everything old is new again, but 20 years later no one needs to remind anyone about the importance of economic issues in this presidential election. In our area, for instance, there's hardly a person out there who couldn't recount the story of someone they know who has been hit hard by the bad economy. For many, there would be multiple stories to tell, and all too often the first story would be their own.

Knowing the importance of this issue, both candidates have invested a great deal of time and effort – not to mention countless campaign dollars – into assailing their opponent's ability to handle the economy. Supporters of each candidate, including their parties, wealthy donors, and numerous special interests, have been all too happy to both echo and expand on these attacks. The most recent offensive from the left has pummeled Mitt Romney on the issue of outsourcing, asserting that he has supported the practice of outsourcing American jobs, both as governor of Massachusetts and as CEO of Bain Capital. They further contend that his fiscal plan and

economic philosophy will mean more outsourcing of American jobs if he were to become president.

From a purely business perspective, outsourcing can make a lot of sense for some companies. A firm with a manufacturing plant in Ohio, for example, could be paying its workers \$20/hour or more, plus health, retirement, and other benefits. The benefits alone can often cost more than the raw materials necessary for production. General Motors, for example, has in recent years paid more for employee health benefits than it has for steel. By shifting production to China, that company can hire workers at about \$2/hour, often without needing to offer many benefits at all. Plus, other requirements that are expensive here are much cheaper there, including facility costs, worker health and safety regulations, environmental compliance, and others. Add to all of this a workforce where labor unions are rarer and much weaker, and outsourcing becomes an attractive option for companies struggling to survive in the United States. There is a significant benefit to American consumers in doing this, as goods and services become much more affordable as a result.

Critics contend, however, that those lower prices do no good for those Americans who become unemployed as a result of outsourcing. They further contend that many companies outsource jobs not to stay afloat, but merely to increase already healthy profit margins at the expense of American workers. Though numbers are difficult to quantify, some have estimated that well over two million American jobs have been shipped overseas in the last decade alone. Ohio, which has for decades depended on manufacturing jobs for economic health, has felt the ill effects of this practice more than most. With so many in our area and across the state still without jobs, it's easy to see why former Gov. Strickland's asserts that attacking Romney on outsourcing will be a very effective campaign strategy in the Buckeye State.

Outsourcing may even be a threat to US national security, according to a report just completed by former Homeland Security Secretary Tom Ridge. The report, shared with federal homeland security officials on July 24th, states in no uncertain terms that the outsourcing of American manufacturing and the ever-increasing reliance on imports has made it more difficult for the US to recover from catastrophic events such as large-scale natural disasters and terrorist attacks. The more the US depends on foreign goods and foreign markets, it is argued, the less self-reliant the country can be to stay healthy and recover quickly from any natural or man-made disaster. And that dependence may make the country all-too-vulnerable to trading partners and international market forces that do not have the best interests of the United States at heart.

But reversing the trend, or "insourcing" jobs back to the United States, may not be the answer, either. In a truly global economy, restricting or inhibiting the natural dynamics of the free market system may only serve to raise the costs of production for companies operating in the US, and thus make American goods and services much less competitive at home and abroad. This could lead to more companies going out of business, greater unemployment, and weaker long-term economic health for the country. Any tax or subsidy system designed to offset these increased costs would mean billions in federal government spending, the funding for which would need to come from higher taxes or diminished government services. So say critics of President Obama's plan to eliminate tax breaks for companies who outsource jobs, and give tax breaks to companies who bring jobs home.

Outsourcing is nothing new in the American economy, and it has been a hot-button political topic for decades. In the 1992 presidential campaign, Ross Perot asserted that if we don't act immediately, there would be a "giant sucking sound" of US jobs leaving the country. In the 20 years that have followed, presidents of both parties have done little to alter this trend, and in fact may have encouraged the practice through corporate tax policies and international trade agreements like NAFTA. Even the current incumbent, who has promised an emphasis on insourcing in a second term, has done little to bring American jobs home in his first four years in office. So is his promise genuine or, as some critics have asserted, merely a fear mongering campaign targeted at key battleground states like Ohio, in an attempt to win the presidency? And what of the implied but unspoken assertion in some of these attacks that outsourcing is somehow "un-American," and that supporters of the practice are therefore unpatriotic? More fundamentally, given the track record of past presidents from both parties, will the outcome of the November election even make a significant difference on this issue? These are questions every voter should consider as this debate moves forward.

So in the end, which side is correct? Plainly put, there are no simple answers. Even if there were, however, those answers wouldn't mean a thing if the perceptions of the voting public say something different. As Election Day grows nearer, our economy continues to stumble along toward a recovery that many Americans believe is little more than wishful thinking. As long as this is true, and as long as so many of our family, friends, and fellow Americans struggle to keep their heads above water, any discussion of the evils of outsourcing will pay dividends at the ballot box.