

## **ECONOMIC AUSTERITY IN AMERICA:** The Portland Community Begins to Fight Austerity

By <u>Shamus Cooke</u> Global Research, May 07, 2012 7 May 2012 Region: <u>USA</u> Theme: <u>Global Economy</u>, <u>Poverty & Social</u> <u>Inequality</u>

On May 5th in Portland, Oregon, a group of 80 activists from a broad array of labor and community groups met to discuss the region's ongoing budget crises. Instead of simply complaining of cuts, however, the meeting was meant to discuss alternatives, both immediate and more structural. Groups that endorsed the event included the Service Employees International Union Local 49, American Federation of State County and Municipal Employees Local 88, International Alliance of Theatrical Stage Employees Local 28, International Brotherhood of Electrical Workers Local 48, Laborers Local 483, Communication Workers of America Local 7901, Jobs With Justice, Occupy Portland, Organizing People-Activating Leaders, Right to Survive, and several others.

What spurred the meeting was a combination of regional deficits, including the city budget, transportation budget and education budget. Proposed for all three budgets were "cuts only" solutions, including school closures, layoff of teachers, raises in bus fares and cuts in bus routes, layoff of city workers and reductions to street maintenance, parks, and community centers. These cuts were just the most recent wave, compounding the cuts from budgets past.

In other words, the city government of Portland, like governments all over Europe, has embraced an austerity program, meaning that it is addressing budget deficits by cuts only. But in the recent elections in France and Greece, the people soundly rejected these austerity measures. Given the tenor of the Portland meeting, the people here are beginning to do the same. Victims of these cuts, from save our schools, library groups, and public housing advocates, attended the meeting and shared their stories as well as their organizing campaigns against the cuts, while learning how their situations were related.

For example, the meeting discussed the mainstream, pro-corporate thinking behind "cuts only" budgets, a perspective held by Democrats and Republicans alike. Budget deficits are now commonly defined as an excess in spending, needing the false cure of public sector cuts, combined with an attack on public sector jobs and unions.

In reality, however, budget deficits are shortfalls in revenue, needing, instead, the cure of revenue increases. The revenue shortfalls are due to over thirty years of growing tax cuts for the wealthy and corporations and to the economic recession and its twin, the "jobless recovery" where mass unemployment promises a continuing shrinking tax base and consequent budget deficits.

New revenue, therefore, must be generated. And money is best found where it's

accumulated in large amounts: the wealthy and corporations — benefactors of decades of increasing inequality in wealth itself, again due to shrinking taxes for the rich and businesses.

But raising new taxes on the wealthy and corporations has been rejected by the Democrats, and consequently is "off the table" for those groups that have "partnerships" with the Democrats, including most unions and many community groups.

This makes the idea of independent collective action all the more important for those groups interested in fighting against cuts to essential public services: education, health care, housing, transportation, jobs and safety net services.

Those who caused the recession — Wall Street, the big banks and corporations — must be made to pay for it. The broader population can achieve this goal only if it is united and acts collectively. In Portland the first step was taken in this direction at this recent community meeting, where working people saw each others' struggles as their own, understood the necessity of united action by the vast majority towards a common goal, and were inspired by the prospects of working together.

Many options for "next steps" were discussed at the meeting, including the possibility of working towards a statewide ballot measure which taxes the rich to fund education and social services. Follow-up meetings will determine the ultimate goals of the group, which now feels empowered by the meeting to organize for change.

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