



The Left's Contract with America

A potpourri of job-killing, economy-stifling ideas.

By Michael Tanner

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A who's who of the American Left has just unveiled their version of a Contract with America. This new Progressive Agenda is the brainchild of New York mayor Bill de Blasio and Massachusetts senator Elizabeth Warren, along with such liberal luminaries as Nobel Prize-winning economist Joseph Stiglitz and former Vermont governor and DNC chairman Howard Dean, various union bosses, and celebrities Susan Sarandon and Steve Buscemi. But for all the glitter associated with its big-name signers, the manifesto is devoid of new ideas and, if ever enacted, could be counted on to plunge millions of Americans into poverty.

The manifesto begins with a number of ideas designed to make it more costly and difficult to hire low-skilled workers. Naturally there is a call to raise the minimum wage, not just to the \$10.10 an hour proposed by President Obama, but to a full job-destroying \$15 an hour. Even advocates of a minimum-wage increase like Arindrajit Dube of the University of Massachusetts and Paul Osterman of MIT warn that a hike of that magnitude would be more than the economy could handle. But just in case this didn't completely price poor people out of the job market, the manifesto signers would also make flexible scheduling more difficult, mandate that employers provide paid family and sick leave, and require that more workers be eligible for overtime pay. It goes without saying that they also want to empower unions and that they oppose right-to-work laws.

De Blasio, Warren, and the rest wouldn't just cut off the first rungs on the ladder out of poverty; they would feed them through a wood chipper, burn the pulp, and scatter the ashes.

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Then, having made it more difficult for the poor to find work, the manifesto signers would make it more expensive for them to buy things. In opposing free-trade deals, the progressives would, in effect, impose a tax increase on the low-cost imports that many poor people need to survive. They would also raise the cost of production for many goods manufactured in the U.S. that include foreign-made parts. Of course they would also make it more difficult for U.S. companies

to build markets abroad, but, as we've already seen, job creation is hardly a priority for de Blasio, Warren, et al.

When not destroying jobs, the manifesto falls back on the surprising new idea of spending more money. The list of proposed government spending seems to go on forever. Start with more investment in infrastructure, medical and scientific research, child care, and after-school programs, and then go on from there. Free pre-school, a long-time de Blasio priority, is on the menu, of course. So is increased college aid.

Some of the manifesto's proposals have so little contact with reality that they might have been beamed in from a universe far, far away. Most everyone in Washington acknowledges that Social Security already cannot pay all its promised future benefits. According to the most recent trustees' report, the program's unfunded liabilities approach \$25 trillion. So what do de Blasio and Warren propose? Increasing Social Security benefits, naturally.

Of course, we shouldn't worry about all this increased spending. De Blasio, Warren, and the gang have a sure-fire way to pay for it: raise taxes on the rich. The top 1 percent of taxpayers might already pay 24 percent of the nation's federal income taxes (while earning just 14.6 percent of the nation's income), but the progressives will make sure that they "pay their fair share," through a 5 percent surtax on their income tax, among other tax increases. One might suspect that attempting to squeeze still more blood from this particular stone would have unfortunate consequences for investment, economic growth, and job creation, but that can hardly be allowed to stand in the way of "fairness."

Finally, just in case there were still a few scattered shoots of entrepreneurship rising through the rubble, de Blasio and Warren would pave them over with a new wave of regulation.

Fortunately, few of the ideas in the Progressive Agenda are likely to be enacted any time soon. But that is not really the progressives' goal. Rather, they hope to push the Democratic party, and presumptive Democratic presidential nominee Hillary Clinton in particular, further to the left. In this, they may already be seeing results. While Clinton has studiously avoided taking positions on most issues, her recent rhetoric has increasingly taken on a Warrenesque tone. And she has gradually distanced herself from her husband's more moderate positions on issues such as free trade and welfare reform.

It's a long way to 2016, but battle lines are being drawn. The Left has let us know where it stands. The coming months will tell us whether Republicans have a rival vision. After all, it is hard to defeat something with nothing.

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