

America is often talked about as the land of opportunity — a place where people with little wealth or power can find or create a good paying job for themselves, become successful, and lead happy, rewarding lives.

Unfortunately, as many Washingtonians have seen firsthand, opportunities (especially good-paying jobs) aren't easy to find these days. The already wealthy are doing just fine or getting even richer, while a great many families and entrepreneurs are struggling to make ends meet.

When Wall Street's house of cards came tumbling down in September 2008, the United States Congress, at the urging of former President George W. Bush and his Treasury Secretary Hank Paulson (who had previously headed Goldman Sachs) passed the Emergency Economic Stabilization Act of 2008, popularly known as the bank bailout.

This legislation, which basically authorized the Department of the Treasury to cash a big blank check using the credit of the United States, helped rescue some of Wall Street's biggest names from going under. Unfortunately, Congress failed to require that any meaningful conditions be placed on banks' acceptance of the money, which allowed banks to continue enriching their executives and managers with bonuses and other rewards while they were benefiting from the Troubled Assets Relief Program, or TARP.

TARP is an example of what many progressives and conservatives alike consider corporate welfare... the use of our common wealth to help already-established, already-powerful corporations make more money for their stockholders. Corporate welfare comes in many forms: subsidies, tax credits, tax loopholes, exceptions to regulations, and of course, sweetheart deals (like no-bid contracts).

Of the many forms, perhaps subsidies are the most egregious.

The libertarian Cato Institute, one of Tim Eyman's favorite national outfits, estimated in 2007 that the federal government spent \$92 billion just on subsidies to private businesses in fiscal year 2006. (Note that this figure only encompasses subsidies; it does not include tax preferences or other giveaways. Nor does it represent any of the corporate welfare going on at the state level.)

What's truly galling is that many of the companies benefiting from this public-to-private transfer of wealth are not repaying the favor by investing in our country. Astonishingly, General Electric, one of the biggest companies in America, has somehow figured out how to pay no federal taxes. Think about that for a moment. GE's feat, if you want to call it that, means that a lowly janitor earning less than a living wage pays more in federal taxes than General Electric. That's just wrong.

And what about job creation? Many of the big companies that are

benefiting from corporate welfare are expanding, despite the recession. They're bringing new products or services to market. But they're not using American labor to do it. Their executives are outsourcing, looking for the cheapest labor abroad that they can find. They are the unappointed referees of a global race to the bottom in terms of workers' rights and wages. And they need to be stopped.

The time has come for us to end giveaways to companies that do not create jobs here. Our existing tax code and existing contracts ought to be reevaluated and subject to sound "Made in America" criteria that would ensure that we taxpayers are getting something in return.

Here are some principles that lawmakers ought to consider:

- All subsidies to large corporations should be eliminated and the savings used to provide startup assistance for entrepreneurs wanting to create new small businesses.
- Tax credits should not be provided to corporations that cannot prove that the assistance they're getting is helping to save or create jobs here in the United States.
- Corporations that actively interfere with attempts by their own workers to raise their standards of living by joining or creating a union should lose eligibility for tax credits and government contracts as a result of such activities.
- Thresholds should be established to prevent corporations from using tax credits and tax loopholes to cancel out most or all of their obligations as taxpayers.

These are just a few ideas that could help put a stop to the unchecked, un-American transfer of wealth that is currently taking place.

We need to introduce some sense into our tax code and end the giveaways to companies that refuse to do their part to help our economy recover.

*Andrew Villeneuve, a 2005 Redmond High graduate, is the founder and executive director of the Northwest Progressive Institute, a Redmond-based grassroots organization. Villeneuve can be reached at [andrew@nwprogressive.org](mailto:andrew@nwprogressive.org).*

**Redmond Reporter Columnist Andrew Villeneuve can be reached at [feedback@progressive.org](mailto:feedback@progressive.org).**

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