

# YESTERDAY'S SOME-SAYERS HAVE BECOME TODAY'S FACT-CHECKERS

Paul Krugman makes a very good argument why the Bain attacks on Mitt Romney are necessary.

There is, predictably, a mini-backlash against the Obama campaign's focus on Bain. Some of it is coming from the Very Serious People, who think that we should be discussing their usual preoccupations. But some of it is coming from progressives, some of whom are apparently uncomfortable with the notion of going after Romney the man and wish that the White House would focus solely on Romney's policy proposals.

This is remarkably naive. I agree that the awfulness of Romney's policy proposals is the main argument against his candidacy. But the Bain focus isn't a diversion from that issue, it's complementary. Given the realities of politics – and of the news media, as I'll explain in a minute – any critique of Romney's policies has to make use of his biography.

The first point is that voters are not policy wonks. They do not go to the Tax Policy Center website to check out distribution tables. And if a politician cites those distribution tables in his speeches, well, politicians say all kinds of things.

Nor, alas, can we rely on the news media to get the essentials of the policy debate across to the public – and not just because so many people get their news in quick snatches via TV. The sad truth is that the cult of balance still

rules. If a Republican candidate announced a plan that in effect sells children into indentured servitude, the news reports would be that “Democrats say” that the plan sells children into indentured servitude, with each quote to that effect matched by a quote from a Republican saying the opposite.

He’s right. While I alluded to this in my post on Glenn Kessler’s changing belief in the seriousness of SEC filings, it deserves exposition directly. Glenn Kessler, back in the days when it was time to distinguish Gore’s economic plans from Bush’s, back in the days when it was time to consider whether Bush’s huge tax cuts would serve the interest of the country, committed just that kind of journalistic sin.

I pointed to this May 3, 2001 story, titled, “Some See Deficiencies in Bush’s Budget Math,” as just one example. It cited Rudolph Penner as the only expert speaking in any way supportively of Bush’s tax cut.

This fiscal situation, despite the uncertainties, is extraordinarily good.

But of course, Penner doesn’t actually say the tax cut is a good idea, just that Bush effectively inherited a good fiscal situation from Clinton.

Kessler then goes on to provide a bunch of anonymous quotes from Bush officials about the tax cuts—many admitting they’re not providing a full picture of the cuts and budget increases—as well as Ari Fleischer providing an excuse for why Bush didn’t include the cost to privatize social security in his estimates.

Which leaves this as the only non-Administration quote in support of the tax cuts.

“Look, [the spending ceiling is] going to hold because you have a different

team,” said Sen. Pete V. Domenici (R-N.M.). “We’ve got the president in town.”

Compare that to evidence like this:

“The president is proving his critics right,” said William G. Gale, a budget expert at the Brookings Institution. “The ink isn’t even dry on the tax cut, and he’s already moving ahead on Social Security and defense. The president’s budget adds up only if you think the government will not do anything other than it has been doing.”

[snip]

One budget expert calculated that just the \$100 billion in tax refunds will result in \$73 billion in additional interest payments over the next 11 years. The entire tax cut would increase interest costs by about \$400 billion, thus reducing the surplus by \$1.75 trillion.

The budget agreement would increase spending on annually funded federal programs in fiscal 2002 by 4.9 percent, or about \$667 billion, slightly higher than the 4 percent sought by the president. The rest of the nearly \$2 trillion federal budget goes to pay for programs whose costs can’t be easily reduced – Social Security and Medicare, and interest payments on the national debt.

And while Kessler likely didn’t stamp that case with the “Some Say” headline, he failed to do what a journalist presenting such evidence should have: said clearly that Bush’s budget numbers didn’t add up, even before you accounted for the increases in defense and social security spending Bush planned (to say nothing of unexpected expenses like post-9/11 Homeland

Security and two wars).

Mind you, that wasn't the only version of such a story Kessler wrote. He also wrote the following "Some Say" stories:

May 3, 2000: Candidates Duel Over Tax Cuts; Gore and Bush Trade Analytical Shots, Seeking an Imprimatur of Fiscal Responsibility

May 18, 2000: Gore Touts Social Security Plan; Critics Say It Would Do Little to Avert Potential Crunch

August 23, 2000: In Tax Plans, Truth Is Closely Budgeted

October 3, 2000: 'Facts' and the Debate: A Guide to Key Claims

October 4, 2000: Both Sides Made Math An Elastic Concept; Dueling Data Reflect Philosophical Divides [Kessler finds fault with Gore for include interest and estate taxes in his claims on the cost of Bush cuts]

October 6, 2000: Both Debaters Play Games With Numbers [This not only repeats pundit lies about the solvency of Social Security, but the only fault it finds with Lieberman is that Gore's budget estimates were more conservative than Congress']

October 10, 2000: Clinton Caveat On Surplus May Cut Both Ways; Bush, Gore May Overstate Amount Available for Tax Cuts, Spending [This finds fault with Clinton's claim that it'd be harder to eliminate a tax cut than rein in spending; heh]

January 17, 2001: Clinton, Bush Officials Quarrel Over Surplus

February 18, 2001: Some Want to Keep the 'Death Tax' Alive; Group of Wealthy People Calls Bush's Plan 'Bad' for

## Country and Economy

March 1, 2001: Bush Tries to Avoid GOP's Past Pitfalls; Critics Believe Long-Term Budget Woes Loom

Now, along the way, Kessler did point to a number of studies that showed Bush's tax cut would leave us in a hole; he did point to the accounting gimmickry behind it. But when it came to Democrats versus Republicans, the cult of balance won out over informing WaPo's readers that Democrats were right in their predictions that Bush's tax cuts would bring back deficit spending.

And they were right.

I don't mean to pick on Kessler; I just happened to review these stories the other day while looking at Kessler's long-lost believe in SEC filings.

But they do demonstrate how Kessler has been part of the problem for a long time.

Frankly, his obstinacy in the face of mounting evidence actually serves the country better than his efforts to balance Bush's budget gimmickry with Democratic corrections, if only as a foil. After all, his now comical refusal to look at the evidence provides catnip to his fellow DC journalists, not to mention frames this as a criminal issue.

But that does prove Krugman's point. We tried winning important economic questions through wonkery. That—and reporting like Kessler's—is what put us into such a big financial hole. It's a price we can't afford to pay again.

People get that the CEO of Bain Capital and firms like it are one of the reasons why their own economic lives keep getting worse. And the more Kessler tries to argue that a CEO should not be held responsible for the actions of his company, the more it plays into outrage about the kind of lack of accountability people like Mitt have enjoyed for a very long time.