

Local strategies to fight the class war from D.C.

BY MARY C. KING
CONTRIBUTING COLUMNIST

Right-wing billionaires are funding a class war against the rest of the country, to grab an even bigger share of the pie without regard for the human cost or lack of popular support for their agenda.

Late last fall, a bare majority of a deeply divided Congress shoved through a huge federal tax cut, designed to benefit the biggest corporations and the very wealthy households who own the vast majority of corporate stock.

Forecasts say this tax giveaway will add \$1.5 trillion to the national debt over 10 years, creating a phony rationale to slash spending for housing, health care, support for students and the disabled, food aid, energy assistance, job training and environmental protection.

But Oregon need not be held hostage by a hostile federal government. State and local taxes on the multinational firms and rich households

benefiting from the federal tax cuts can fund critical investments here in affordable housing, early childhood education and health care.

We can move now at the local level and set an example for others to follow. The money is here. The 4,222 households that made up the top 1 percent in Multnomah County in 2014 reported incomes averaging over a million dollars each. Over 20,000 households comprise Multnomah County's top 5 percent, with average incomes of \$404,981. The top 10 percent as a group, 42,219 households, took in half the income earned in the county in 2014, averaging \$277,000 each.

We should call on candidates running for the Portland City Council and the Multnomah County Commission to pledge concrete action to create a more inclusive, prosperous economy. Locally, we can demonstrate that a better Oregon – and U.S. – is possible by raising taxes on global corporations and the upper class, and demanding that the state lift legal bans that forbid us to chart our own course on rent stabilization, the minimum wage and livable work schedules.

Raise local business taxes on the biggest corporations to fund housing

Far too many people live in miserable conditions on our streets, and too many families pay so much for rent that they go hungry at the end of the month. Young people, even professionals, can't afford to buy a house. Until the federal government resumes responsibility for building enough good public housing to bring down prices, we'll have to step up in our own community.

Meanwhile, Oregon's state and local tax revenues from businesses are among the very lowest in the country. At least half of that barely taxed business activity is here in the metro area. Multnomah, Washington and Clackamas counties combined provide over half the state income taxes paid by Oregon households.

Wells Fargo, Comcast, Exxon and all the other giant, global corporations doing business here, pay the same local business tax rates paid by all but the smallest local companies. That is, they pay the same rates on the slice of their profits that their lobbyists haven't yet

managed to hide with tax breaks.

Both the City of Portland and Multnomah County should adjust our local business taxes to levy significantly higher rates on the very biggest corporations. Then Big Business will have to contribute in Oregon more like it did in the 1950s and 1960s.

More local revenue can start to compensate for inadequate federal programs and beef up our stock of emergency housing, transitional housing, and rental assistance programs that keep families housed while weathering temporary setbacks.

Perhaps most effectively, we can raise much more capital with bond measures to build local public housing with play space for children, using increased corporate city and county tax revenues rather than property taxes to pay the interest. We need more truly affordable housing, not just the high-end places that the developers find most profitable.

Strong community benefits agreements, like those successfully piloted on Portland Water Bureau projects, ensure that women, people of color and people from low-income households are trained and employed at every level in all construction projects that depend on public money.

Enact local income taxes on the wealthiest households for universal pre-school

We should create a tiered, county income tax on the top 10 percent, with several tax brackets that rise with income, to adequately

fund our schools and public services starting with universal pre-school. A Multnomah County Income Tax could be collected by the state along with our state income taxes.

There's no better single strategy for reducing poverty and income inequality while raising incomes than investing in high quality, public childcare. That's why New York City started a universal pre-school program with room for all 4-year olds by 2015, and is expanding to 3-year olds this year. Québec began 20 years ago, providing childcare for all 4-year olds for \$5 a day, and now takes care of children from infancy through elementary school. Despite charging low rates for care, the program in Québec more than pays for itself through the increased taxes paid by parents able to work more.

Good early childhood education provides all kids with the skills and experiences that children from wealthier families have when they start kindergarten. Strong evidence shows that the investment pays off for decades, as kids go on to get more education and earn better wages while staying out of trouble.

Even before the pre-schoolers grow up, the local economy is strengthened because parents are able to work more hours and to pay for necessities unreachable if they have to pay for childcare. Though childcare costs in Oregon are among the least affordable in the country, childcare teachers are some of the state's lowest paid workers, now earning poverty wages even with college degrees. Public support for universal pre-school connected to our K-12 system raises pay for this absolutely vital but undervalued profession.

Lift pre-emptions against a higher local minimum wage, rent stabilization and stronger scheduling requirements

Funded by the Koch brothers and their friends, lobbyists have campaigned across the country for state laws that bar local governments from creating their own progressive economic policies. Local activists recently toppled the prohibition against inclusionary zoning. Now Portland can – and is – requiring developers to include affordable units in their big projects.

We and our local officials should push our state legislators to lift remaining pre-emptions against cities and counties deciding for themselves about enacting a higher minimum wage, rent stabilization and regular work scheduling requirements.

Let's start raising these issues at local candidate forums!

We can make real progress on Portland's housing crisis with more funds for emergency shelter, more rental assistance, more public housing and local rent stabilization policies like those in California. Progressively funded, high quality universal pre-school and childcare helps future generations, attracts businesses looking for a skilled workforce, and lifts a heavy burden from working and middle class families. And a higher, local minimum wage and livable, regular work schedules restore the lost promise that hard work can provide a decent life.

The Portland metropolitan area has the progressive voters and local resources to make these policies reality – let's show the world how it's done!



Mary C. King

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Street Smart Economics is a periodic series written by professors emeriti in economics for Street Roots. Mary C. King is a Professor of Economics Emerita, Portland State University.



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