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The Skanner Newspaper, established in October 1975, is a weekly publication, published each Wednesday by IMM Publications Inc., 415 N. Killingsworth St., P.O. Box 5455, Portland, OR 97228. Telephone (503) 285-5555. E-mail: info@theskanner.com World Wide Web site: <http://www.theskanner.com> Fax: (503) 285-2900

The Skanner is a member of the National Newspaper Publishers Association and West Coast Black Publishers Association.

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Democrats Cave in to Tea Party

Democrats blew it. They control the White House and the Senate. Yet, it was the Republican-controlled House – which is itself increasingly controlled by Tea Party zealots – that defined the terms of deficit debate and provided us with another example of Democratic ineptness.

The last-minute deal between President Obama and congressional leaders amounted to, in the words of economist Paul Kaufman, “raw extortion on the part of a party that, after all, controls one house of Congress.”

Writing in Monday's New York Times, Krugman said the deficit deal amounts to “an abject surrender on the part of the president. First, there will be big spending cuts, with no increase in revenue. Then a panel will make recommendations for further deficit reduction – and if these recommendations aren't accepted, there will be more spending cuts.”

Krugman argued, “Republicans will surely be emboldened by the way Mr. Obama keeps folding in the face of their threats. He surrendered last December, extending the Bush tax cuts; he surrendered in the spring when they threatened to shut down the government; and he has now surrendered on a grand scale to the raw extortion over the debt ceiling. Maybe it's just me, but I see a pattern here.”

Me, too. From the beginning, Republicans took control of the debate. The Government Accountability Office explains: “The debt limit does not control or limit the ability of the federal government to run deficits or incur obligations. Rather, it is a limit on the ability to pay obligations

THE CURRY REPORT

George E. Curry



already incurred.”

According to the Congressional Research Service, the debt ceiling has been raised 74 times since 1962, including 18 times under Ronald Reagan. Until now, neither House Speaker John Boehner, House Majority Leader Eric Cantor nor Senate Majority

they don't want Obama to spend more, it's within Congress's power to withhold that money.”

That wasn't the only straight-up Republican lie.

The Republican mantra became, “We have a spending problem, not an income problem.” Actually, we have both. It's true that federal spending this current fiscal year, which ends Sept. 30, is expected to equal 24.1 percent of the country's gross domestic product (GDP), the second-highest percentage of GDP since 1945.

It is also true federal revenues are expected to be 14.8 percent of GDP this year, the second-lowest level since War II.

billion in cuts to entitlement programs – Medicare, Medicaid, Social Security.”

Here's the kicker: “We were offering a deal that called for as much discretionary savings as the Gang of Six [a panel Democratic and Republican lawmakers]. We were calling for taxes that were less than what the Gang of Six had proposed.”

Boehner responded to Obama's gesture by ending the negotiations and refusing to return Obama's phone calls. Therein lies the difference between Obama and Boehner. The latter listens to his base and then moves quickly in its direction. Obama, on the other hand, repeatedly boasts that he is willing to ignore the wishes of his base when attempting to strike a deal with House conservatives.

“The president got the only thing that was nonnegotiable from his perspective: a big enough increase in the debt limit to ensure he doesn't have a repeat of this fiasco during the 2012 campaign, which would make him look fatally weak,” wrote Matt Miller, a senior fellow at the Center for American Progress.

In the wake of the deficit deal, Obama has tried to put a happy face on the ugly deal. The administration has put out a “fact sheet” that claims the agreement, “Stays true to the President's commitment to shared sacrifice by preventing the middle class, seniors and those who are most vulnerable from shouldering the burden of deficit reduction. We've heard similar talk for the past two years. And the end result has been the president giving in to political extortion.

Republicans will surely be emboldened by the way Mr. Obama keeps folding in the face of their threats

Leader Mitch McConnell objected to lifting the debt ceiling.

Now that Barack Obama is president, they have made it a major issue. House Speaker John Boehner, for example, asserted that President Obama was seeking a blank check.

“This is a straight-up lie. Not the everyday, casual fudging that politicians do, but a straight up lie,” Adam Serwer wrote in the Washington Post. “This isn't a perfect metaphor, but not raising the debt ceiling is more like refusing to pay your credit card bill than it is akin to asking for a blank check. Congress appropriates funds; if

But the most conservative of conservatives prefer to ignore that reality. Letting the Bush taxes expire would slash the deficit in half, but that's an item that Republicans insisted was off the negotiating table.

In his July 22 press conference, Obama acknowledged he had been exceedingly generous in his overtures to Republicans.

“Essentially, what we had offered Speaker Boehner was over a trillion dollars in cuts to discretionary spending, both domestic and defense,” Obama said. “We then offered an additional \$650

The Wealth Gap and the Souls of Angry

The report recently released by the Pew Research Center that showed that the wealth gap between white families on the one hand, and African American and Latino families on the other was greater than at any time in the last 25 years, caught many people by surprise. It should not have. We have been witnessing an expansion of this gap for some time. The so-called Great Recession has exacerbated this tendency.

Yet when I read this report, actually the first thing that came to mind was a discussion I recently had with white friends of mine. They were telling me about their son, a 20-something who has been looking for work. He has gotten into the frame of mind that goes like this: white men have it rough out there and, in fact, white men face discrimination compared with—hold onto your hat—Black women. My friend, who is progressive, has had constant debates with their son but to no avail. He continues to believe that the decks are stacked against white men.

So, first, I started wondering what this young man must think about the Pew Center report. How, I have wondered, does this jibe with his sense that white men are facing discrimination when clearly the facts demon-



TRANS AFRICA

Bill Fletcher Jr.

strate something very different? I am sure that he will find a way to rationalize it. The reason he will is that it is actually rough out there

the introductions of new technologies; downsizing; and off-shoring of jobs, but white people can no longer assume that they are immune or cushioned against the full impact of economic downturns any more. The challenges to white racial privilege and racist discrimination by people of color and their allies over the years has meant that the automatic assumption that, when all else fails people of color will be there to soften the blow, does not work the way that it once did. Back during the Great Depression, for instance,

racial differential in treatment, whether in employment, wealth, education, etc., remains very much a part of the fabric of U.S. society. But the second piece is that the reorganization of capitalism means that many of the opportunities that whites believed that they were entitled to have dried up. In this situation many of these whites, like my friend's son, focus on imaginary opponents—in this case Black women—rather than understanding that the system is actually crushing them. It is anger like his that helps to fuel Tea Party movements, white nationalists and others who desperately want to believe that the American Dream can be restored...for whites.

Sorry. It won't work that way. The system is saying loud and clear: Do not pass “Go”; do not collect “\$200”; go directly to the unemployment line where you stew and try to figure out how did this happen because, after all, it was not suppose to happen to white folks...right?

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White people can no longer assume that they are immune or cushioned against the full impact of economic downturns any more

for young white men, but not because of Black women, black men, Latinos or anyone else. To paraphrase an old saying, it's the system, dummy...

What my friend's son is confronting is the manner in which the economy has been changing over the last 30 years. Not only has the economy reorganized, leading to

Black workers were often fired from their jobs and replaced by white workers, though the white workers would be paid at the lower salaries than Black workers were making. These days it is more difficult to pull this off.

So, what does this all mean? Racist discrimination is alive and well, but looks different than it once did. Nevertheless, the