

## Why Bain Matters & Why It Won't

Michael Sean Winters | Jul. 17, 2012 Distinctly Catholic

Mitt Romney had one of his better moments yesterday, better because his words sounded recognizably human. [At a fundraiser in Jackson, Mississippi](#), [1] Romney said:

*?I know that people in this room are probably doing relatively well, relative to folks across this country. But not everyone in America is doing so well right now, it's tough being middle class in America right now. The waiters and waitresses that come in and out of this room and offer us refreshments, they're not having a good year. The people of the middle class of America are really struggling. And they're struggling I think in a way because they're surprised because when they voted for Barack Obama he promised them that things were going to get a heck a lot of better. He promised hope and change and they're still waiting.?*

Here was an acknowledgement not only of the struggles and dashed hopes of America's middle class, but a recognition, and an important one, that his situation and the situation of his donors was different, that they had not been harmed by the downturn in the economy these last few years the way the middle class had been harmed.

Unfortunately for Romney, the moment will be lost in the continued, fevered, questions about his unwillingness to release his taxes (about which, more tomorrow) and his time at Bain Capital. But, what is really unfortunate is that today's Republican Party is incapable of really speaking to the challenges facing the waiters and waitresses at GOP fundraisers and are not in a position to challenge the Democrats who have also done a bad job defending the interests of the working and middle class.

In the neck of the woods in Connecticut where I was reared, people used to have good paying jobs at various industrial manufacturing sites. The nature of the manufacturing had changed: Eastern Connecticut was once home to a vital textile industry, but the mills were closed by the time I was growing up, having moved to the Carolinas and thence to India and other countries. Eastern Connecticut maintained two large industries, however, Pratt & Whitney which made plane engines, and Electric Boat, which made nuclear submarines. With the end of the Cold War, however, America does not need as many fight jets and subs, so there have been cutbacks at both plants. The jobs lost were union jobs and they paid well, with full benefits. Now, the two largest private employers in Eastern Connecticut are the two large casinos, Mohegan Sun and Foxwoods, both of which hire service workers with much lower rates of compensation and benefits. The older woman pouring your iced tea refill may have once worked on Trident submarines. The older gentleman manning the coatroom may have once built jet engines. Both are thankful to have a job, to be sure, but both have been casualties to the changes in the American economy about which both parties have been quiescent.

The Obama campaign is not harping on Romney's time at Bain Capital because they have a vendetta against private equity firms. Nor, because they think Romney did anything particularly outrageous there, still less anything criminal. No, they are focusing on it because working class Americans have gotten the shaft and while some blame the government, many blame the titans of finance and industry who have so rigged the game that

when the economy tanked, the government stepped in to save Wall Street, but the government, under both Democratic and Republican presidencies and congresses, has watched town after town lose its manufacturing base and the good-paying jobs that went with it, and done nothing. The reason to tie Romney to outsourcing is not because such outsourcing was against the law, but because outsourcing is to private equity firms like Bain, and it is to Tim Geithner, just one of the things corporate titans do these days, and if they failed to do it, they would be punished in a heartbeat by the markets. But, no one punished corporate America's CEOs for disowning any responsibility for the communities they affected when they outsourced those jobs. No one in either party has done much to ensure that it is easier to organize service workers as it once was to organize manufacturing workers. Those waiters and waitresses in Jackson last night are not just upset with Obama's performance in the past three and one-half years. They are upset with the entire ruling class of politicians and corporate bigwigs for their inability to provide opportunities for the working class for three decades.

[In this morning's Washington Post](#) [2], Richard Cohen says of outsourcing, "This is a rule." Cohen is right. The terms of modern capitalism insist that the jobs go to the lowest wage workers, wherever they may be, because Americans are consumers too and we want those made in China clothes, just not on our Olympic athletes. President Obama's critique of Romney's tenure at Bain would be more credible if he had a real plan for "in-sourcing." But he is unlikely to support, as long as he is listening to Geithner and his ilk, and the voters are unlikely to insist, that the terms of modern capitalism change.

It does not have to be this way. In Germany, workers have much greater say in the decision-making of the companies that employ them. This fact has not made Germany's economy a mess. Indeed, Germany is the only country standing in the way of an economic meltdown in Europe. But, I have not received any emails from the DNC calling for greater worker involvement in corporate decision-making.

The debate about when Romney left Bain is silly, as Cohen suggests. The debate about what Bain represents is not silly. Unfortunately, the country, both its leaders and its electorate, are unwilling to have that debate.

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