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Don't Know Much About History



By Marty Kaplan

The reason that our financial system isn't going to crash and burn again, the reason that taxpayers won't have to fork over another trillion dollars of no-strings-attached bailout money, is — well, I forget.

I haven't forgotten the reason, because there isn't any. What I've forgotten is that *there is no reason* it can't happen again. I've forgotten the bipartisan sliminess that enabled this catastrophe, like the demolition of the Glass-Steagall wall between banking and stock speculation. I've forgotten the battalions of Wall Street lobbyists armed with limitless campaign cash that decimated Dodd-Frank's attempt to regulate derivatives. I've forgotten the obscene bonuses, underwritten by our rescue money, that plutocrats have kept on awarding themselves to celebrate escaping accountability.

I know: I haven't really forgotten them. In fact, I'm enthralled and repulsed by accounts of what went wrong, from the terrific three-part "Money, Power and Wall Street" documentary that *Frontline* just aired, to books by Michael Lewis, Simon Johnson, William D. Cohan and other chroniclers of greed, criminality and a political system addicted to legalized graft.

But if more people were paying even a modicum of attention to the past, the economic debate in the 2012 presidential campaign wouldn't be between one political party beholden to big money that dreamily depicts investment bankers and oligarchs as jobs creators, and another political party, also beholden to big money, that wants applause for fixing the problem. If more people remembered which policies worked and which failed during the Depression — as Paul Krugman documents in his new book *End This Depression Now!* — then the jobs debate in this election wouldn't be about austerity and deficits, it would be about stimulating short-term demand and making long-term investments in education, research and infrastructure.

Total recall is a total buzz killer. Take Instagram, a photo-sharing startup that has yet to make a penny, but was just bought for a festive billion dollars by Facebook, which in turn is being valued at \$100 billion. *Hello? Dot-com bubble burst of 2000?* Tulip sector — I mean, tech sector valuations like these, larger than many nations' GDP, don't derive from companies' cash flows or their assets and liabilities. They're a function of expectations, of the wisdom and the madness of crowds. The worth of your pension fund is about to depend on the forgetfulness of the stock market, which is actually a pretty good example of a senior moment.

Or take Reaganomics. Every Republican presidential candidate, and every Republican running for Congress, swears allegiance to Ronald Reagan's economic policies by signing Grover Norquist's no-tax-increases-ever pledge. But in 1982 Reagan cut corporate tax breaks, raised unemployment insurance taxes and increased excise taxes. In 1983 he raised the Social Security payroll tax. In 1984 he signed an increase in the estate tax, closed more business tax loopholes and increased excise taxes again. Reagan's 1986 Tax Reform Act contained the largest corporate tax increase in history. While Reagan was president, deficits and debt both nearly tripled. George W. Bush's tax cuts, successfully promoted as a rerun of a Reagan record that never was, put us in a hole we still can't dig ourselves out of. If you're a candidate promoting a new round of regressive tax cuts, of course you're counting on our dementia.

Oblivion also rules the foreign policy debate. All the discredited neo-con arguments preceding the invasion of Iraq have been magically re-credited by the Romney position on Iran. The ironclad evidence of WMDs has become the ironclad evidence of Iranian nukes. The surgical strike that turned out not to preclude a war with hundreds of thousands of civilian casualties has become the one-day bombing run that will knock out only its targets. The millions of middle-class Iraqis oppressed by Saddam whom we were told would welcome us with flowers have become the millions of middle-class Iranians oppressed by the mullahs who will rejoice at our or the Israelis' intervention.

Romney is entirely surrounded by those wonderful folks who brought us Iraq, people like John Bolton and Dan Senor. As *The Nation* columnist Ari Berman quotes the Cato Institute's Christopher Preble, "I can't name a single Romney foreign policy adviser who believes the Iraq war was a mistake." This doesn't mean that Iran isn't a serious threat, but it does mean that the Republican presidential nominee's brain trust has suffered a catastrophic foreign policy brain fart.

But of course amnesia is the existential basis of Mitt Romney's campaign. He takes it for granted that we've forgotten everything he said twenty minutes ago about immigration, contraception, student loans, climate change, letting GM go bankrupt, letting the foreclosure process "run its course and hit bottom" and the rest of his Tea Party-friendly positions. He assumes that when he calls for eliminating regulations, we'll have no recollection of the BP Gulf oil spill and the Massey Energy Upper Big Branch mine disaster. He believes that when he embraces Wisconsin Republican Rep. Paul Ryan's budget, we won't remember that it dismantles Medicare.

What makes us so amnesiac? Schools struggling to do more with less aren't turning out the informed citizens that Jefferson said democracy requires. Paranoia, anti-intellectualism, the war on science and the postmodern deconstruction of reality into "narratives" have devalued the currency of evidence. The mainstream news media, fearing that unsexy disputes about accuracy will drive audiences away, are wary of fact checks, let alone of running the same fact checks each time the same myths and falsehoods are repeated. The ideological media — Rupert and Friends — use memory as a subversive weapon; revisionism is a tine on their pitchfork. The paid media — campaign ads — drive out good information with bad. By outsourcing our historical memory to the Internet, we dull our native instincts for critical thinking. By confining our common culture to the contents of next week's *People*, we forfeit the presence of the past. And by basking in the pleasures that the bedazzlement industry amply provides us, we can reliably medicate our rage. Forgetting what you were angry about in the first place turns out to be one of the abiding joys of civic amnesia.

This is my column from The Jewish Journal of Greater Los Angeles. You can read more of my columns here, and email me there if you'd like.

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