FOXCONN Follies

When the Socialist Party of Wisconsin met in August, it passed a resolution condemning the hypocrisy behind the GOP plans to offer incentives to the company, FOXCONN. Until early summer, most of us never heard of the corporation. FOXCONN is one of the behind the scenes actors in the global economy, producing consumer electronics for numerous multi-national corporations including Apple iPhones, and other electronic devices. FOXCONN, a Taiwan-based company, operates numerous super-large factories in China where it pays low-wages, gets huge tax breaks and incentives from the Chinese government. FOXCONN is looking at properties along I-94 in Racine and Kenosha counties. Wisconsin is said to have geographic advantages of a plentiful supply of water and excellent transportation options with Milwaukee’s Mitchell field and Chicago’s O’Hare airports nearby along with plenty of train tracks nearby. Other than being north, the Milwaukee-Chicago urban corridor is centrally based in the USA.

Locating a business is important for keeping costs down and being close to one’s potential markets. This is how the market system is supposed to work and for the most part it does work. Unfortunately, our governments have felt the need to compete with each other for corporate investments. Numerous studies have found that location choices are still based on the geography of the site, but the stupidity of our political leaders has lead to wasteful spending of tax dollars, when trying to attract corporate investments. Politicians often campaign on creating a favorable business climate.

Wisconsin Governor Scott Walker made a big display of putting up signs reading “Wisconsin is open for business.” Walker has relaxed environmental protections and dismantled many of our labor laws, and cut spending. These efforts were supposed to create 250,000 new jobs during Walker’s first term. Walker’s job record has been abysmal, as Wisconsin’s job growth has lagged behind the nation’s and the other Midwest states. According to the Milwaukee Journal Sentinel, at the end of 2016, six years into his administration, Walker was almost 65,000 jobs short of his promise.

Seemingly in desperation, Walker and his GOP cronies in the state legislature are being good lapdogs, pushing for a $3 billion incentive package to secure a Foxconn investment that could produce 13,000 jobs. Notice the word COULD is used, not WILL, and if all those jobs were created, it would mean an investment of $230,769/job. The average yearly pay for the first 3,000 workers is expected to be $53,900 plus benefits (keep in mind Foxconn has a reputation for paying low wages). The Wisconsin Legislative Reference Bureau estimates that it will take Wisconsin 25 years to recoup its investment.

The Foxconn investment will require lots of land and the destruction of several natural wetlands. The proposed agreement with Wisconsin provides numerous exemptions to Wisconsin environmental regulations. Walker and the GOP have stripped the Wisconsin Department of Natural Resources of many functions and staff; there are reasons to be concerned about the effects on the environment. Add to that Trump’s dismantling of the Environmental Protection Agency and other federal environmental regulations, Foxconn poses a real threat to the Wisconsin landscape and Lake Michigan.

In an ideal world, the government would be protecting the people and the environment. Private industry would be investing money based on market conditions. The Foxconn deal, like many others, is getting generous government handouts helping enhance profits, rather than protecting the common good! We may wish that the smoke being blown in our ears by the political leaders on behalf of Foxconn were true promises. The American landscape is littered with empty promises made by multi-national corporate interests. Investing in a public enterprise, borrowing a term from Frank Zeidler, Milwaukee’s Socialist Mayor in the 1950’s, would be a better expenditure of tax dollars. An investment in public enterprise is less expensive and more effective investment. Socialism is for the common good, not for the benefit of private profits. DS

Words for thought

“If you can convince the lowest white man he’s better than the best colored man, he won’t notice you’re picking his pocket. Hell, give him somebody to look down on, and he’ll empty his pockets for you.” Lyndon Baines Johnson
Don’t Be Deceived By Media Reports of Trump’s Failures

We are in a period of history where all biases are on display. We have a president (and many GOP political leaders) relying on racism and nationalism to maintain political support, we see the mainstream media and leading Democrats distorting descriptions and attacks on Trump, often it seems as an effort to distract the American populace. We live in a public relations age. Spin and image are most important.

The GOP will use the terms tax fairness and tax simplification to push through a very regressive tax reform. It does not help that most Americans do not understand the differences between progressive taxes (often called Robin Hood taxes as they tax the rich more than they tax the poor) and regressive taxes (that tax the poor more than the rich). Trump may very well take the lead on this issue.

Trump’s anti-immigrant and anti-globalization actions have had mixed results. A wall along the Mexico border is meeting more and more resistance from the establishment Republicans and from the realities of a global world. Mix in a large group of immigrants and social justice advocates and a legislative program looks less and less likely. Though Trump continues with executive orders and has issued a threat to shutdown the government if Congress does not fund his monument to his stupidity.

Remaining issues include budgets, infrastructure and other issues such as the debt ceiling. Trump released a suggested budget outline that gutted most domestic and non-defense spending, while dramatically increasing military spending. There is a strong military-industrial complex to support this proposal; there are also strong constituencies in most congressional districts that will oppose many of the cuts. This might be the real test of Trump’s leadership and the GOP’s willingness to go along.

There is plenty of danger facing working people. We should not give in to scare tactics; they will not lead to a better world, but only provides support for other demagogic deceivers! The Trump administration and the deceptions we currently face (3 ½ more years) pose dangers, but also illustrate the need to democratize our government.

We need a multi-party system of representation that allows for a diversity of ideas. First the single-member legislative districts need to be replaced with multi-member districts. Multi-member districts encourage more parties with more ideas. We should use a system of proportional representation to select the legislators. Our separation of executive and legislative branches should be replaced by a parliamentary system. The powers associated with the presidency should be given to a prime minister (a legislative leader). If a party in power finds itself being led by an incompetent leader, it can select a new leader. How many parliamentary governments would tolerate a leader like Trump for 6 months?

THE ESSENCE OF A DEMOCRATIC SOCIALIST SOCIETY WOULD BE HONESTY AND FAIR REPRESENTATION FOR ALL!  DS

Wisconsin Injured Workers will be having one of their dinners on September 16 at Our Savior’s Lutheran Church, 3022 W. Wisconsin (enter from W. Wells St.) at 3:30 p.m. Come for Great Mexican food & door prizes. Suggested donations: $7.00

SP-Wisconsin Local Meeting: Saturday, October 7 at 1:30 p.m. at the Washington Park Library, 2121 N. Sherman Blvd., Milwaukee  (NOTE THERE IS NO SEPTEMBER MEETING!)

Socialist Party of Wisconsin
2025 N. Martin Luther King Dr  #305– Milwaukee, WI 53212 – Phone: 414-332-0654
Email: demsocvanguard@gmail.com  Website: http://www.socialistpartyofwisconsin.org