

Government, Taxes and Public Will

Getting to Yes

Portland, Oregon

November 12, 2009



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Public Works: the Dēmos Center for the Public Sector

Dēmos: A Network for Ideas & Action

www.demos.org

... and your response is?

It's not about what state government needs. It's about what Oregonians need. Oregon has lost nearly 125,000 private-sector jobs since the beginning of this recession while state government employment has increased. The legislature used one-time federal stimulus money and permanent new taxes on businesses and high-income Oregonians to increase spending by more than 9% over the previous budget. What Oregonians need are more jobs. And what state government needs is more Oregonians with jobs – not higher taxes on the people who create jobs. More people working will help fill the budget gap to fund needed services.

Our Goal

Public support for a government dedicated to the common good and empowered to address the challenges and opportunities of the 21st Century.



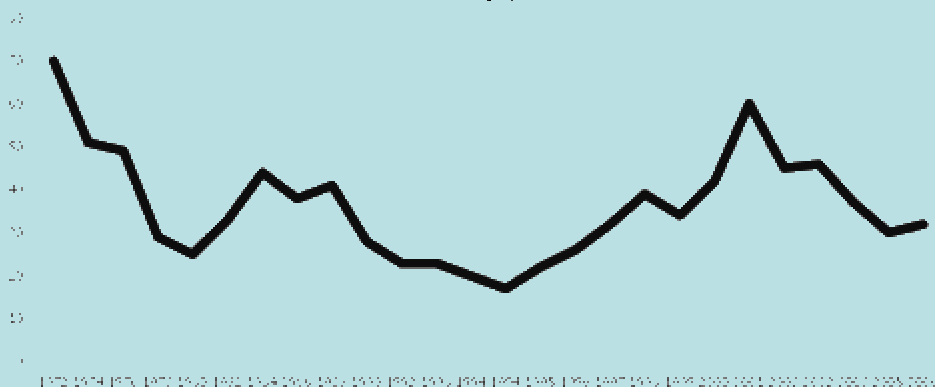
**America is at a cross-roads:
Public Challenges & Public Will**

**Dominant perceptions of government
undermine support for public solutions.**



A Slide in Faith & Trust

Trust in Government
Just about always, sometimes





The Great Disconnect, Circa 2006

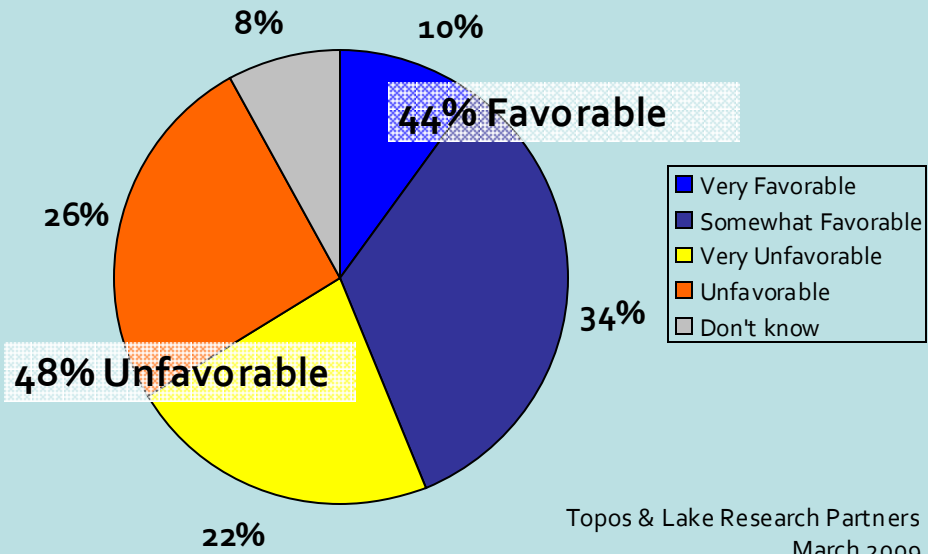
How Public Confusion Impedes Political Solutions to Some of
Our Biggest Problems

Condition #1: public cynicism, negativism, and skepticism about government . . . at the highest levels in 30 years of doing quantitative and qualitative research in Oregon.

Condition #2: decreasing awareness and knowledge about government . . . about 30% of the general public cannot name a single tax that is used to help pay for public services.

- Adam Davis, City Club Speech, May 12, 2006

Government Rating



On Election Day, a Win for Government

By E.J. Dionne Jr.

Monday, November 9, 2009

Here's a story you may have missed because it flies in the face of the dreary conventional wisdom: **When advocates of public programs take on the right-wing anti-government crowd directly, the government-haters lose.**

In Maine, voters rejected a tax-limitation measure by a walloping 60 percent to 40 percent. In Washington state, a similar measure went down, 57 percent to 43 percent.

Contested Terrain



Role of Government





Our Research & Field Work

Research

- Government
- The Economy
- Budgets & Taxes

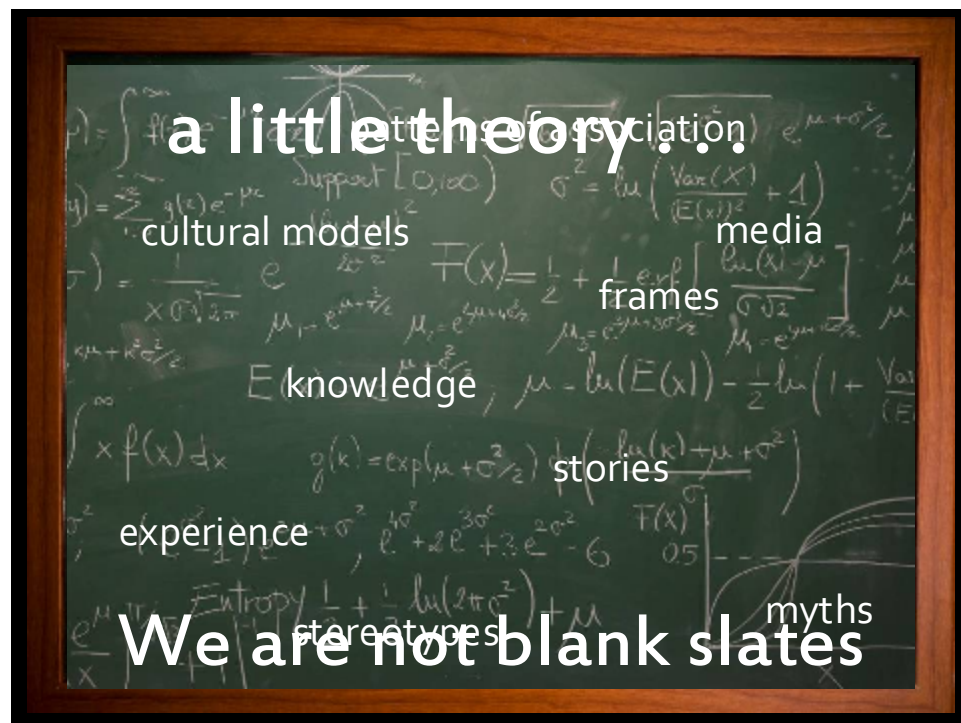
In the Field

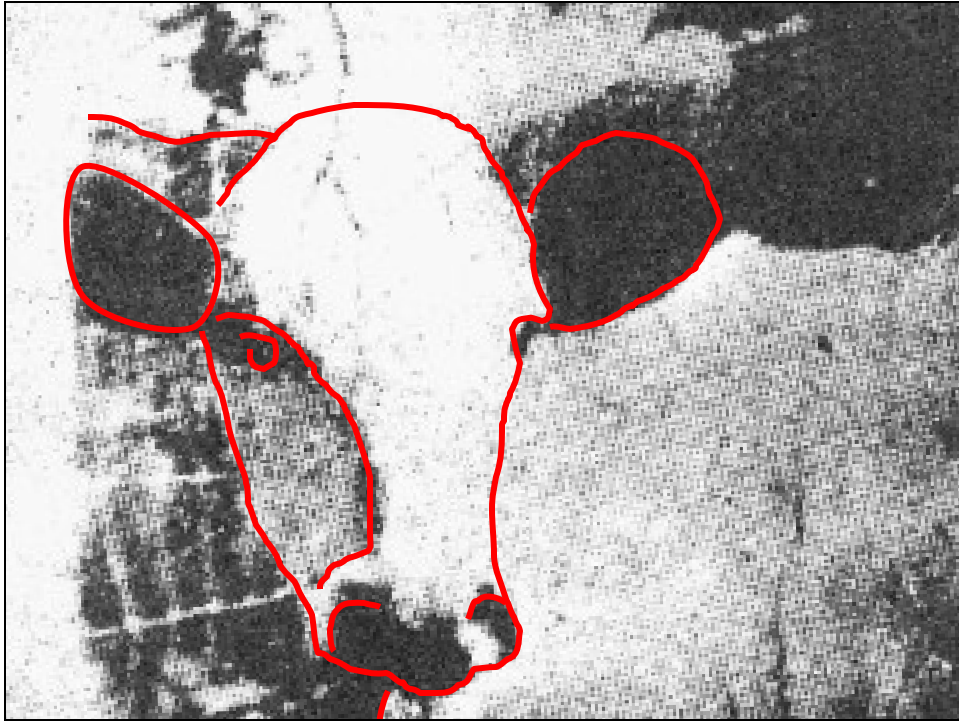
- Policy Organizations
- Advocates
- State Coalitions
- Electeds & Managers
- Unions

A Multi-Discipline Approach

Our work is informed by the perspectives of multiple disciplines and fields:

- Cognitive Science
- Linguistics
- Public Opinion Research
- Cultural Anthropology
- Behavioral and social sciences
- Communications, journalism and media studies
- Social Movement Studies





CITY

The Power of Storytelling

I confess to a prejudice. I believe that Cities are the most important single unit of human society. **They are to human beings what beehives are to bees. Human beings are fundamentally community beings . . .** No other level of government has to face so directly the reality of how well we or poorly we work as a human community. **We are bound together.** The municipal leader knows it, and sees it.

Pragmatism, Prophecy, and Prayer - The Rev. B. P. Campbell, Virginia Municipal League, Prayer Breakfast, 24 October 2005



our brains are
rapidly seeking
to connect new
information to
the existing
stories in our
heads

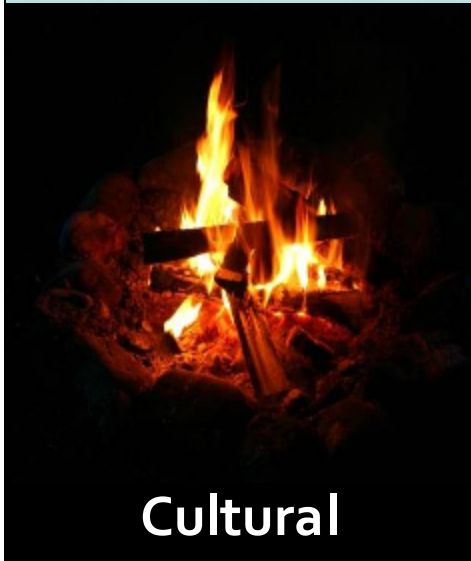
Essential Steps for the Future of America's Wetlands



Why Wetlands Matter

Wetlands **benefit us all**. Wetlands **act as a filter** for the waters of our lakes, rivers and streams. Wetlands improve the water we drink, and the air we breathe. **Wetlands act like giant sponges**. They soak up rain and snowmelt as they occur, serving as temporary storage basins, thus reducing erosion, and limiting the destruction caused by severe floods . . .

Stories



Cultural

"They are the **narratives of life**, spanning the centuries and connecting the generations. They are the **vessels** in which we carry our **history** and **traditions**, our **values** and **lessons for living**, our **hopes** and **dreams**."

The International Storytelling Center, TN

Stories



Cognitive

All evidence leads to the conclusion that **concepts conveyed in story form** — more than ideas explained with logic and analysis — **imprint themselves naturally in human minds**."

- Roche and Sadowsky

Deep Cultural Stories and Habits of Thinking Also Shape Public Perceptions

Master Narratives

Whenever we engage in public debates we may think of ourselves as conduits of information. However, our audiences think about those same policies, issues, and programs in terms of the background story—**the master narrative**—that lies beneath our bullet-points, facts, statistics, and legal citations.

The Triumphant Individual



"Self-Made Man" – Irene Ritter

Independence

The Benevolent Community



Dave Kolpack / AP

Interdependence

Individual Problem



Personal Solutions

Collective Problem



Structural Solutions

Short-Term Focus



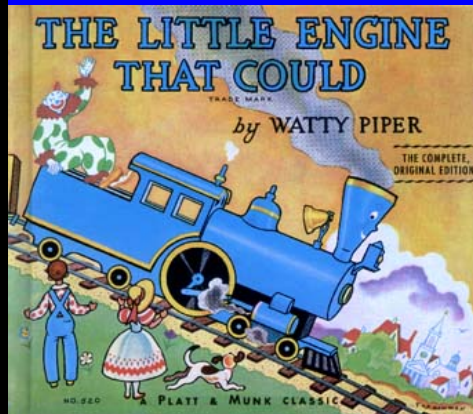
Long-Term Thinking



Chicken Little

Desperation

Aspiration



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New Mexico

Land that used to be Enchanting

[Home](#)
[Wilderness](#)
[Threats to Wilderness](#)
[Questions About Wilderness](#)
[Special Places](#)
[Gila Wilderness](#)
[Latir Peak Wilderness](#)
[Pecos Wilderness](#)
[Manzano Mountain Wilderness](#)
[Campaigns](#)
[Proposed Wilderness](#)
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New Mexico Wilderness



A Wilderness Legacy

When Spanish settlers first arrived in New Mexico four hundred years ago, they described rolling hills of auburn grass and cacti that came up to the stirrups of mounted horsemen. Later, Aldo Leopold, "the father of Wilderness", wrote of this land of unparalleled biological diversity that the "...oak-dotted hills, ...pine clad mesas, and lazy trout streams ...come near to being the cream of creation."

Sadly, today most of the rolling grasses are gone, the streams have long dried up, and many of the speckled mesas and hills have been sacrificed to economic development and motorized recreation. These lands, once treasured as some of the wildest in the west, are quickly dwindling.

Wilderness Protection is the Answer

There are well over 4.5 million acres of potential Wilderness in New Mexico; only an aggressive Wilderness advocacy campaign will create the public demand to permanently protect these areas as Wilderness.

news



New Mexico – Land of Enchantment

The wild lands of New Mexico have been the source of our spirit and culture for a thousand years. We have a legacy of living with the land, not just on it. A new century poses new challenges – balancing growth and prosperity with the open space that is our heritage. The Wilderness Alliance is working to keep this balance and ensure that New Mexico remains enchanting for future generations . . .

**Competing
stories
discussion . . .**

**What are our
stories about
Government . . .**



A Shared Cultural Joke

"More Americans can name the three stooges than the three branches of government.

Well, that's because the three stooges are more likely to get something done." - *David Letterman*



What People
Think of Government:
Default Responses





The Challenge

- Dominant and Resilient images consistently misdirect thinking.
- Concrete images of the systems and structures of government are missing.
- Consumerist thinking narrows understanding and responsibility.

The Good News

- The “idea” of government is not lost
- Responsible citizenship is still valued
- A desire for collective action, respecting consensus, and problem-solving
- Stewardship and planning for the future – roles for government

Just Politics



“Bi-Partisan”
Steve Benezue

a partisan
blowhard
spectator
sport

Just Politics



"Bi-Partisan"
Steve Benezue



Mission and Purpose

Mission & Purpose



VALUES

- Common Good
- Quality of Life
- Community Wellbeing
- Public Purpose

ROLE

- Protector
- Manager & Planner
- Steward
- Consensus-BUILDER

Values Matter

- We reason first from deeply held values.
- Values help answer: “Why does this matter to me/us?”
- We need to start with **Values**, not with the policy and program details

Why does this matter?

“Every child should have access to immunizations but too many families in our community are not bringing their children in to our clinics. This is why we are proposing a new agency rule requiring more clinic hours . . .”

Speak to Values First

"The health of the whole community is **protected** when we ensure that our children are immunized. One of the ways we do this is through **our public health agencies** that provide free and low cost **immunizations for all children**. We need extended clinic hours to keep up with growing demands. "

Mindless Bureaucracy



blurry and
undefined;
only dimly
understood

Mindless Bureaucracy



Systems and Structures

Systems & Structures



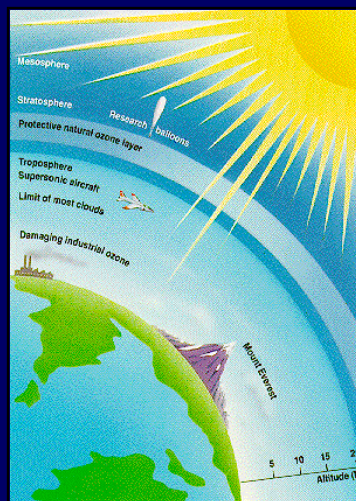
- Concrete and vivid images
- The public systems we have created
- How they work
- Why they are important

Mechanisms for Understanding

"... people typically rely on analogies in order to learn complex, abstract concepts. These concrete analogies are **simplifying models** - they help people organize information into a clear picture in their heads, including facts and ideas that they have been exposed to, but never been able to put together in a coherent way ..."

- *cultural logic*

Ozone Depletion





Government as our Public Structures

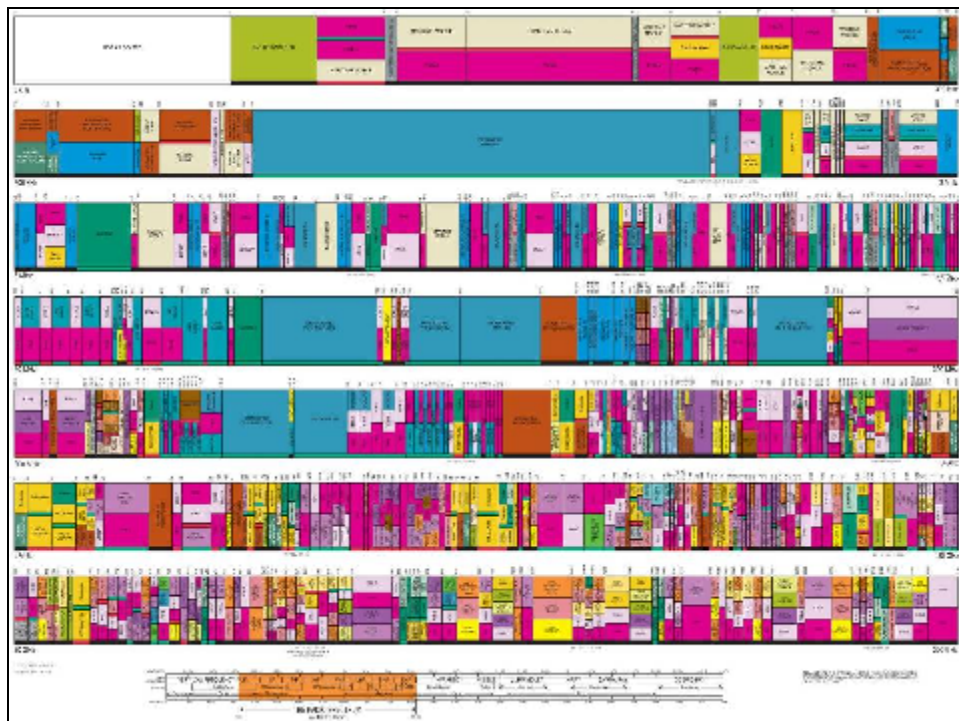
. . . the main advantages that make America so successful come from the **Public Structures** it has created

. . . these Public Structures include the *physical* structures (highways, airports, and communications grids) and the *organizational* structures (the postal system, courts) we need to get things done, and the *social* support systems that help to ensure the health and well-being of our communities

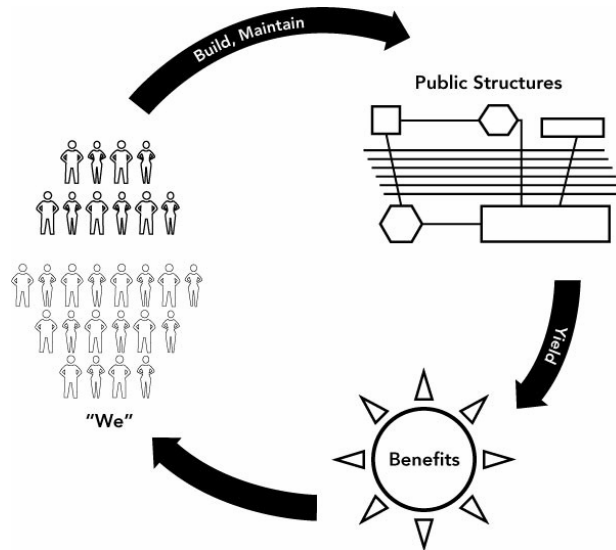
. . . it is our **well-functioning and supported** Public Structures that are essential for overall success . . .

Responses to the Public Structures description –

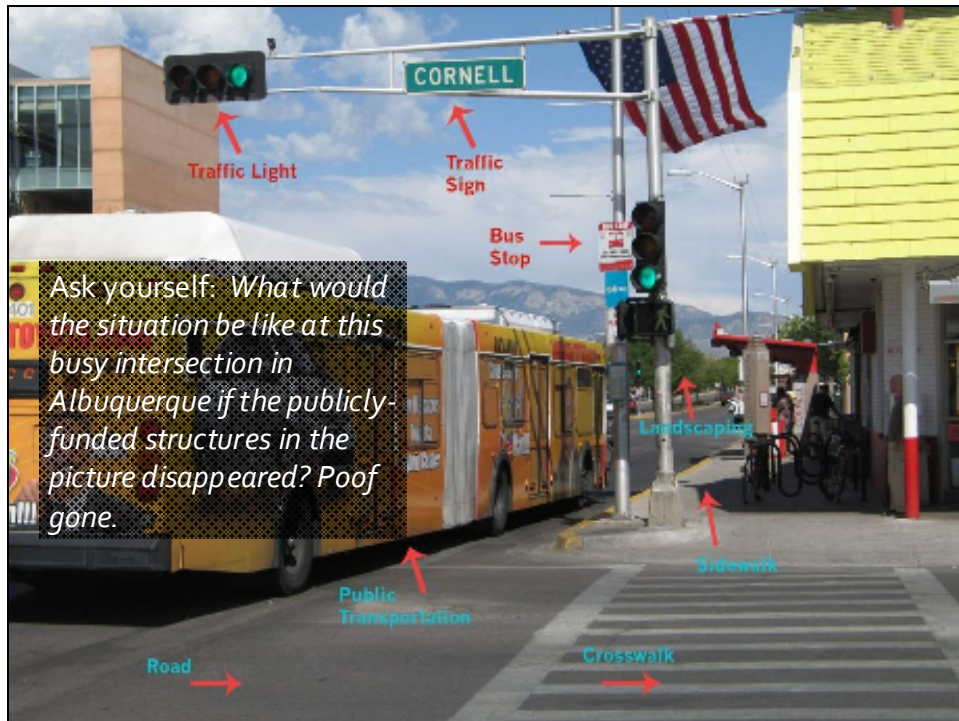
- What are they?
- Why are they important?
- Can you name some of the important public structures we rely on?



Rounding Out the Story



Social Security is one the best examples of how we as Americans have created a **public structure** that **benefits us all**. Through this one accomplishment, we virtually eliminated poverty among senior citizens. By **pooling our efforts and sharing risk**, we **protect everyone's quality of life** as we age and retire.



Consumer Stance



What's in it for me, and what is it going to cost?

Consumer Stance

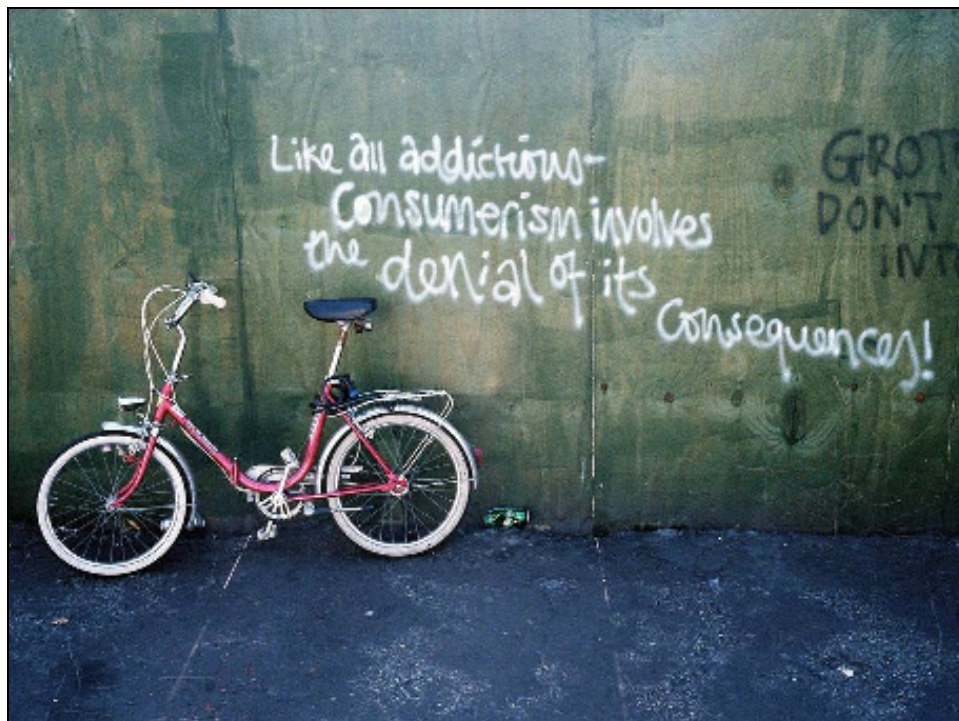


Government
as Vending Machine

Our
Government



Citizen Stance



“Responsibility”

- **Consumer Stance**
 - Responsibility for **Me**
- **Altruistic Stance**
 - Responsibility for **Them**
- **Citizen/Manager Stance**
 - Responsibility for **It/Us**

Citizen Thinking



- Interdependence
- Working together
- Problem-solving
- Everyone has a role to play
- “Our” Government
- The Common Interest

Dominant Stories



Just Politics



Bureaucracy



Vending Machine

...can't solve anything . . . not my responsibility

Which model is being triggered?

Access to health care, good nutrition and cash assistance is vital to low-income families. Yet, enrolling in programs like Food Stamps and Medicaid has gotten harder and harder over the last year. The new computer eligibility system is riddled with problems. And, turnover in state workers means untrained workers are often ill-prepared to help families get the benefits for which they qualify.

Which model is being triggered?

Of every tax dollar collected by the state of Minnesota, roughly 80 cents is returned to communities and individuals in the form of aid and grants. The remaining 20 cents pays for such things as state highways, appropriations to colleges and universities, prisons, state parks and state government. Some areas receive less than their citizens pay in, while other areas receive more.

Which model is being triggered?

Our children deserve better. They need an education accountability system that provides fair, accurate and understandable information on the effectiveness of our schools. But, rather than debating the merits of our accountability system our Governor and Legislature are slugging it out in that legislative boxing ring we call the Capitol.

Perceptions of Government in Oregon . . .

New Stories



... our tool for solutions & the common good ...

Making the Case



- **Values:** Articulate the Public Good behind the policies and programs
- **System Thinking:** Help reveal our essential Public Systems & Structures
- **Awaken the Citizen:** What is our shared stake and responsibility?

Telling a new
story . . .

State Budget
& Tax
Debates are
Crucibles
for Attitudes
about
Government





The majority of businesses in Oregon are struggling today. Oregon has lost nearly 125,000 private-sector jobs since the beginning of this recession while government employment has increased. If these permanent tax increases passed, small businesses would be forced to lay off their workers, reduce wages and benefits, or close their doors. Economists estimate these higher taxes will cost as many as 70,000 Oregonians their jobs. It's unfair to tax businesses up to \$100,000 even if they don't make a profit. The fact is that, for some businesses, this is a life or death issue.

**How do we
understand the
Economy . . .**

A Difficult Topic



A "Natural Economy"



The Individual Actor Economy

Implications:

- A broadly shared model
- Moral qualities shape economic actions and outcomes
- Inequality happens
- Limited room for government

Suspicious of Governmental Role



- *Last Resort*



- *Creates Dependency*



- *Stifles Business*

Government Role is Limited . . .



- *Policing* the “Bad Actors”



- *Protecting* the Deserving

. . . and after the fact.

Limited Roles for Us



Worker



Consumer

The Desired Transformation

Default	Goal
<ul style="list-style-type: none">• The economy is “free” & “natural” – have to adapt.	<ul style="list-style-type: none">• The economy is man-made and intentional.
<ul style="list-style-type: none">• Individual character/luck determine outcomes.	<ul style="list-style-type: none">• Systems & Structures affect outcomes.
<ul style="list-style-type: none">• Everyone competes for their own interests.	<ul style="list-style-type: none">• Everyone’s interests are connected and interdependent.
<ul style="list-style-type: none">• The strength of the overall economy – GDP, Stock Market – matters.	<ul style="list-style-type: none">• The economic wellbeing of average people matters.
<ul style="list-style-type: none">• Government’s role is minimal and reactive.	<ul style="list-style-type: none">• Government’s role is fundamental and proactive.

A New View - A New Role



Talking about Taxes



Government Hurdles in Talking about Taxes

Dominant Images

- Government as only “those” partisan, bickering elected officials.
- Government as a dimly understood but vividly imagined bureaucratic blob.
- Government a Vending Machine – Consumer stance.

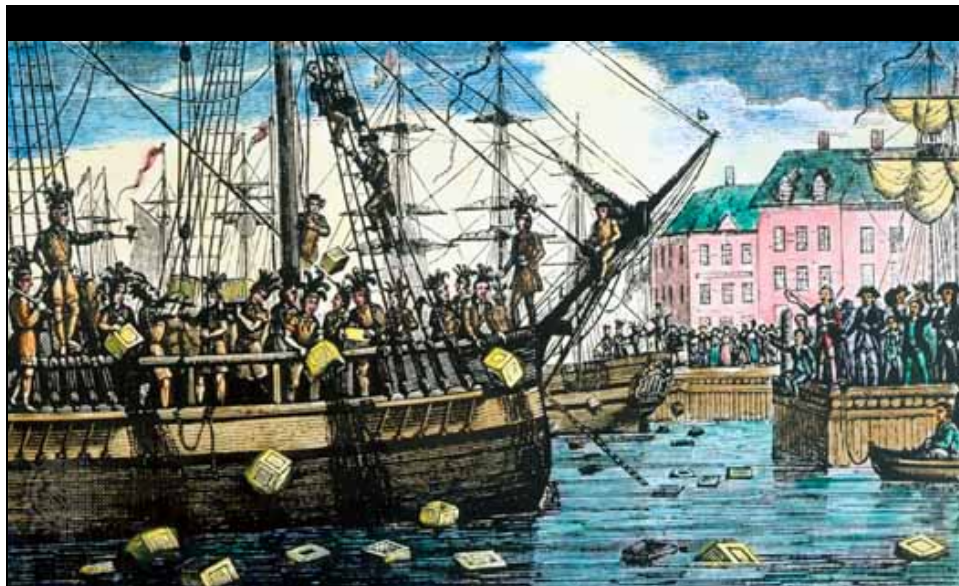
Implications for Taxes

- Paid to those “corrupt and incompetent” individuals.
- Swallowed and wasted by the invisible, inefficient blob.
- What’s in it for me? I want to keep “my” money.



"Legitimacy and a steady source of revenue provide the twin foundations of any enduring government."

- Marjorie E. Kornhauser – "Legitimacy and the Right of Revolution: The Role of Tax Protests and Anti-Tax Rhetoric in America"



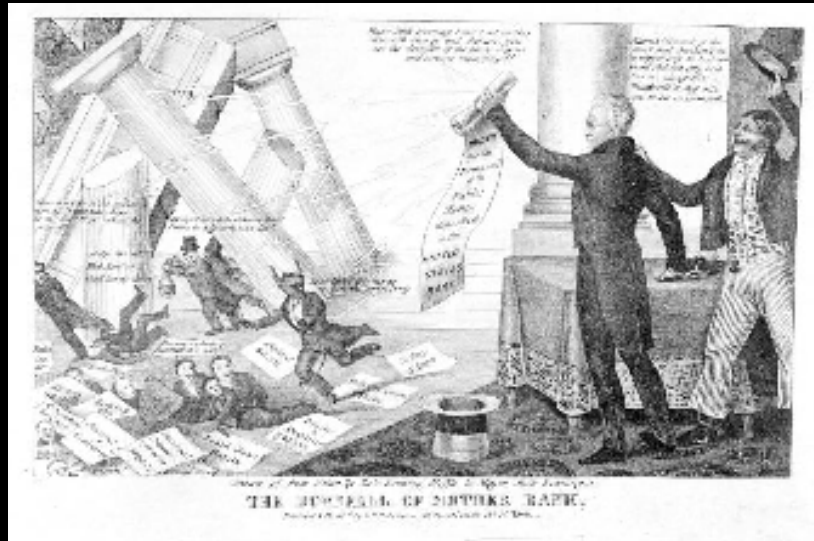
Boston Tea Party - 1773



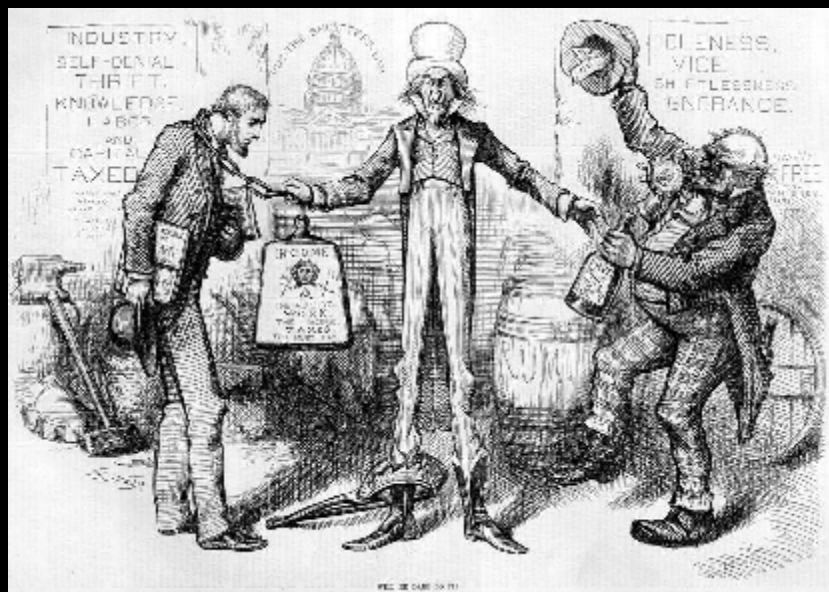
Shays' Rebellion - 1786 to 1787



Whiskey Rebellion - 1794



Nullification Crisis - 1832



Income Tax - 1878



San Diego – April 11, 2009



Government Legitimacy and Anti-Tax Rhetoric

- Tax Revolts and their overheated rhetoric transform government from "we the people" into "them," the "other" – the taker of our money.
- Getting back to Government as "us" - as our tool for getting things done is essential to winning on taxes.



- Taxes have become disconnected from their purposes
- Public services are a “given”
- Taxes are “theft” from personal needs
- Government hurdles prevail
- Consumer thinking dominates
- Fairness is in the eye of the beholder

The Trouble with Fairness



The Trouble with Fairness

- Its about the Tax, not the Purpose
- Eye of the Beholder
- Self-Interest and Consumerist Thinking trump
- Hard to Direct - Leads to Confusion & to Unfairness (flat tax)
- Default – “taxes are inherently unfair”

Our Standard Pitch

Our tax system should be progressive. Higher-income taxpayers can afford to pay a greater share of their income than lower-income taxpayers.

The Morality of Reward & Punishment

Tax the Rich?

"Here's the problem with fairness: Fair is never really fair. In order to put everyone on an equal footing, you have to take from one group to give to the other. That means penalizing those who excel, those who have put forth the most effort, those who often have made the biggest sacrifices and taken the biggest risks, and rewarding those who have done the least. It sends the message that achievement will be punished while apathy will be praised. That's hardly the spirit of innovation that built this nation, and it's not the kind of attitude that will continue propelling it forward through the 21st century."

<http://www.tindog.com/2009/07/28/the-problem-with-fairness/>

Public Systems & Structures Enable Wealth & Success

Our public systems – which our taxes create and sustain – empower wealth in myriad ways:

- The legal system protects intellectual property and contracts.
- Public infrastructure facilitates the movement of goods and services.
- Tax-supported financial systems enable to access capital markets.
- Employees are educated in public schools and universities.
- Tax-funded research develops innovations and new technology.
- Trade laws protect the sale of products abroad.

As Warren Buffet famously observed, he likely couldn't have achieved his financial success had he been born in Bangladesh instead of the United States, because Bangladesh had no banking system and no stock market.

Adapted from Hidden Truths of Progressive Taxes, Lakoff & Budner, April 16, 2007

Addressing a “Fairness” Challenge

Paul Warner, chief tax analyst for the Oregon Legislature, answered online questions about Measures 66 and 67.

Salem, Oregon: [An] objection, now, is that under 67 a corporation could be operating at a loss and still owe 10's of thousands in corporate tax. This sounds unfair. Is this true? What relief from the corporate tax is available to a corporation operating at a loss?

Paul Warner: You're correct, the new corporate minimum is not based on net income. The idea behind the minimum is that corporations should pay some tax based on their size, which approximates the amount of government services they use. Economists call this the benefit approach to taxation.

Good News

- Most people start out “progressive” in their thinking about taxes.
- Values (Public Good) and a Future Focus help direct thinking to purposes.
- Common Interests – not just self-interests are available and valued.

Reclaiming the “T” Word

- Lead with **Common Good Values and Objectives** to set up tax conversations
- Focus on **Shared Priorities** and **Goals for the Future** to reconnect Taxes to Purposes
- More **Agency, Transparency and Participation** is needed
- Use a **Pragmatic, Practical Tone** – taxes as tools

Budget & Tax Narrative in RI

The proposed budget cuts will leave thousands of the most vulnerable among us without the critical government services they need to live, work and thrive. The reason we are in this situation is because we have given tax breaks to the wealthy and are letting big corporations off the hook. We have to restore these budget cuts and get the wealthy and big business to pay their fair share.

"Revenue" Needs a Bigger Story

From:

- Money
- How much money?
- Fairness
- Tax "them"

To:

- Goals/Objectives
- Responsible Management
- Balance
- Shared contribution

What is at Stake in Rhode Island

The **quality of life** we enjoy in Rhode Island is directly connected to **the public structures we have created over many decades**. Our parks, community colleges, social services and infrastructure **have made our small state a good place to live and work**. The proposed cuts to state programs and services will undermine **the public systems we rely on every day**. It is time to focus on finding new revenue to keep our state functioning well, now and into the future.

Why we value Public Structures

“We understand and appreciate that what breathes life and hope and happiness into our ‘homes’ is the quality of our neighborhoods, jobs, schools, parks, services, medical care, and transportation.”

Wisconsin Realtors Association



Strong public structures are like healthy plants

Programs that serve community and business needs require a broad base of revenue sources to work effectively. If we lose funding from one source, the cost to other groups goes up and/ or... we are forced to cut necessary services.



We have inherited the work of many generations who built a state that is robust, intelligent, healthy and compassionate



It is our responsibility to leave Wisconsin and Milwaukee better for the next generation

... and your response is?

It's not about what state government needs. It's about what Oregonians need. Oregon has lost nearly 125,000 private-sector jobs since the beginning of this recession while state government employment has increased. The legislature used one-time federal stimulus money and permanent new taxes on businesses and high-income Oregonians to increase spending by more than 9% over the previous budget. What Oregonians need are more jobs. And what state government needs is more Oregonians with jobs – not higher taxes on the people who create jobs. More people working will help fill the budget gap to fund needed services.

3 Things to Remember

1. Your first sentence should be about Oregon, our quality of life, our future – not taxes or the details of Measures 66 & 67.
2. Assert the essential role that public structures play in both responding to the effects of the downturn and paving the way for recovery.
3. Conclude by speaking to the citizen in all of us – “we can all protect our essential public structures and pave the way for the future with a Yes vote on Jan. 26th.”

Finding the courage to build community

As a small-business owner, I'm convinced that in order for Oregon to prosper we need to have the courage and the will to create an environment that's profitable both for businesses and for the communities on which our businesses rely. Unless we properly fund our education system and protect working families and the services they need, we're going to struggle to compete in the growing global economy. The days in which low skills could generate high pay are disappearing.

These tax measures are the next necessary steps to promoting the health and well-being of our state as a whole.

*Rep. Chris Harker, Beaverton
The Oregonian - October 30, 2009*

Implications for the Referenda

- Getting people to “yes” requires highlighting what’s at stake for Oregon.
- Reconnect taxes to purposes and the role of public structures in a healthy state.
- Articulate reasons for the tax changes other than fairness to broaden support and resilience.
- Avoid broad-based attacks on corporations; target the critique on those who care more about paying as little in taxes as possible than the health of the state.
- A practical, pragmatic tone needs to balance populist pitch.
- Don’t reinforce anti-tax frames – “shifting the burden.”

“... a talent for speaking differently, rather than for arguing well, is the chief instrument of cultural change ...”

- Richard Rorty