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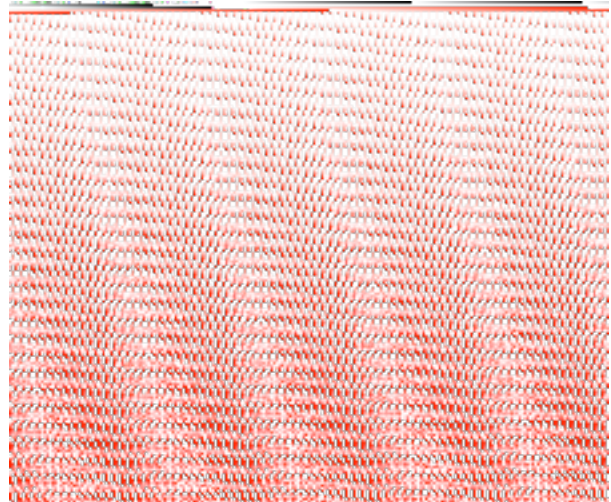
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## Mitt Romney and our overdue debate about capitalism

By [E.J. Dionne Jr.](#),

Thanks to Mitt Romney and such well-known socialist intellectuals as Rick Perry and Newt Gingrich, the United States is about to have the big debate on the nature of modern capitalism that should have started back in 2008. The focus will be on whether some kinds of capitalism are bad for the system as a whole.



As a political matter, the discussion will be a classic test of an old Karl Rove theory that the best way to undercut an opponent is to attack him in his area of perceived strength. Romney's central claim is that his business experience prepares him to be the nation's great job creator. That message runs into some difficulty if he is seen instead as a job destroyer.

What if a certain class of capitalist makes scads of money not by building up companies but by tearing them down? What if there is a distinction between the capitalist we typically honor who comes up with a good product and hires people to make and market it; and another kind who takes over a company, pulls out all the cash he can, and then abandons it to die?

This is not the narrative of some Marxist intellectual writing in an obscure journal. It's how Perry, who last I checked was a rather ardent conservative, described Romney's line of work.

[“They’re just vultures,” Perry declared.](#) “They’re vultures that are sitting out there on the tree limb waiting for the company to get sick, and then they swoop in, they eat the carcass, they leave with that and they leave the skeleton.”

My word! Who knew how much of that old Texas populism had rubbed off on Perry?

Somewhere, the late Molly Ivins, the Lone Star State's legendary populist scribe, is smiling in a People's Heaven.

The debate over capitalism is likely to be with us all year because after Romney's [New Hampshire triumph](#), it's truly difficult to construct a scenario that will deny him the Republican nomination.

Give his strategists some credit: They saw an opportunity in Iowa and took it, all the while preparing an impregnable citadel in New Hampshire, beginning with their decision to have Romney announce his candidacy there in June. Let no one begrudge him [his margin of victory](#) on Tuesday: It was huge and decisive.

Romney's aides also repositioned him — repositioning being one of his strong suits — just far enough to the right to find the center of an increasingly conservative Republican Party. Yet they also understood that an old, conservative, upper-middle-class can still anchor winning coalitions in GOP primaries as long as several more out-there conservatives split up the rest of the vote.

Thus did [exit polling](#) find that Romney did best among voters earning more than \$200,000 a year, next best with the \$100,000-to-\$200,000 category. He was weakest among those taking home less than \$50,000 annually. Romney may bewail the Obama economy, but he did far better among those who said they were getting ahead financially than with voters who see themselves falling behind. A privileged candidate sits atop a relatively privileged base.

This is why Romney's [defense of his work as a venture capitalist](#) is one of the truly authentic parts of an otherwise heavily scripted campaign. He speaks with genuine passion when he accuses his conservative opponents of putting [“free enterprise on trial.”](#)

But that goes to the heart of the matter: “Free” for whom and under what circumstances? Capitalists of Romney's sort never want to acknowledge how much their ability to make money depends on what government does. How does it structure the laws related to property, taxation and debt? What rules does it write on how companies can be acquired and how power within firms is apportioned among shareholders, employees, managers and other stakeholders? These are not natural laws. They are the work of politicians and the lobbyists who influence them.

Which leads to this observation from Gingrich: “I think [there's a real difference](#),” he said, “between people who believed in the free market and people who go around, take financial advantage, loot companies, leave behind broken families, broken towns, people on unemployment.” Yes, there are different kinds of capitalism.

[Romney's victory speech](#) suggested that he hopes that the campaign will be about whether President Obama wants to turn the United States into Europe. A more relevant discussion

would be over what American capitalism is — and should be. Thanks to Gingrich and Perry, this debate is now unavoidable.

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