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Spotlight on Bain Capital!

- **President Obama believes in the American Dream – that hard work and responsibility are rewarded.** During his December speech in Kansas, the President spoke about America’s economic system and how it affects income inequality.¹ He believes America is home to the world’s most productive workers and innovative companies. However, he feels the “basic bargain” that made this country great has eroded, and hard work has stopped paying off for too many people.² Fewer of the folks who contributed to the success of the American economy actually benefit from it. Rather, those at the top have grown wealthier than ever, while everyone else struggles. President Obama – a former community organizer who was raised by a single mom – believes this is the defining issue of our time and for the middle class. Inequality distorts democracy, and this country succeeds when everyone does their “fair share.”³
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- **Mitt Romney attempts to defend his record at Bain Capital, awkwardly releases income information.** “Mitt Romney helped create and ran a company that invested in struggling businesses, started new ones, and rebuilt old ones, creating thousands of jobs. Those are the facts,”⁴ stated a recent ad by Romney’s campaign. Romney’s record at Bain has come under attack after allegations that Bain acquired and dismantled struggling companies while pocketing the profit. Romney has struck a confident tone, saying “Frankly, if I can’t take a few shots coming from my colleagues on the Republican side, I’m not ready for Barack Obama.”⁵ Coupled with Romney’s record at Bain are recent revelations that Romney has eight million dollars from his work there invested in at least 12 funds in the Cayman Islands, a “well-known tax haven.”⁶ This revelation came on the heels of Romney disclosing that he pays close to a 15 percent tax rate. Attempting to move on from that topic, Romney also stated that he “gets speaker fees from time to time, but not very much.” “Not very much” turned out to be \$374,000 in the year before he started running for President.⁷ As Jay Bookman points out, when one has a net worth of \$270 million, “\$374,000 truly is ‘not very much,’ a mere 0.14 percent of your wealth.”⁸
 - **Gingrich continues to condemn Romney on his Bain record.** “Leverage the game, borrow the money, leave the debt behind and walk off with all the profits.” “Now, I’ll let you decide if that’s really good capitalism. I think it’s exploitive. I think it’s not defensible,” Gingrich said in South Carolina.⁹ Gingrich has reiterated concerns that Romney’s business record demonstrates a lack of empathy and understanding for average Americans. Responding to Romney’s allegations that Gingrich is attacking “capitalism” as an ideology, Gingrich replied “I’m proud of real capitalists. I’m proud of guys who say to their workers I’m in it with you. If I lose money and you lose a job we lost together because we both tried.”¹⁰ Two weeks ago, a Gingrich-supporting super PAC released a 28-minute film detailing Romney’s record at Bain. It focuses primarily on layoffs at companies acquired by Bain Capital. One woman says of Romney: “I feel that that is the man who destroyed us.”¹¹ The documentary has been promulgated widely in South Carolina.
 - **Perry attacks Romney, endorses Gingrich.** “Allowing these companies to come in and ... loot people’s jobs, loot their pensions, loot their ability to take care of their families and I will suggest they’re just vultures,” Perry said in South Carolina. “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.” Remarking that he was directly speaking in regards to Bain, Perry said of Romney “He was also involved in the destruction of a lot of jobs in South Carolina.”¹² Polling in the single digits in South Carolina, Perry has ended his campaign, throwing his support behind Gingrich.

NEA BELIEVES...

- America’s children and workers should come ahead of corporate bottom lines. The country’s leadership should prioritize Americans who work hard and play by the rules, not millionaires and corporate special interests.
- Entities that don’t pay a dime in taxes yet rake in record profits are an affront to Main Street, which is comprised of the very workers who helped generate those profits – workers who are struggling as never before. According to the Center on Budget and Policy Priorities, without intervention the country remains poised for record poverty and unemployment¹³.

¹ Full text of President Obama’s economic speech in Osawatomie, Kansas, [Washington Post](#), 12/7/2011.

² Full text of President Obama’s economic speech in Osawatomie, Kansas, [Washington Post](#), 12/7/2011.

³ Full text of President Obama’s economic speech in Osawatomie, Kansas, [Washington Post](#), 12/7/2011.

⁴ Romney releases ad defending Bain Capital record, [CBS News](#), 1/13/2012

⁵ Mitt Romney readies Bain Capital counterattack, [Politico](#), 1/11/2012

⁶ Heat on Mitt Romney over Cayman ‘millions’, [The Australian](#), 1/20/2012

⁷ Mitt Romney and his ‘not very much’ problem, [Atlanta Journal-Constitution Blog](#), 1/18/2012

⁸ Ibid

⁹ In new criticism of Romney and Bain Capital, Gingrich calls private equity firm ‘exploitive’, [Washington Post](#), 1/17/2012

¹⁰ Ibid

¹¹ Mitt Romney Bain Capital movie makes its debut, [Politico](#), 1/11/2012

¹² Perry Likens Romney’s Bain Capital to ‘Vultures’, [ABC](#), 1/10/2012

¹³ Poverty Rate Second-Highest in 45 Years; Record Numbers Lacked Health Insurance, Lived in Deep Poverty, [Center on Budget and Policy Priorities](#), 9/14/2011