

Misguided policies and the constituencies they create

The government makes mistakes. It's made up of people and none are perfect, i.e. immune from error. One might think that when a decision or a policy is seen to be a mistake, it would simply be changed or repealed. It's rarely that simple. Each new law or institution creates a class of people who benefit from it or even are dependent on it. There are endless examples of this but we'll mention a few of the most significant.

- Slavery- While many of the founding fathers knew that slavery really wasn't the way to go, it had been well established throughout all the colonies and became an integral part of the economy of the southern states. Thus when public sensibility finally got to the point of pushing for abolition, it brought on the secession of the Confederate States and a bloody Civil War which killed more Americans than any other war.
- Unrestricted taxes on railroads- American railroads were mostly created in the early days of the American Republic when land was cheap or even free. They have served the nation well and they prospered for many years. Communities discovered that by taxing the railroads that passed through their confines, they could reduce the tax bills of the local residents very significantly. Such policies pleased the residents and helped their numbers and their political power grow. Unfortunately, through the lack of restraint on their part and the lack of coherent national and regional transportation policies, they killed the golden goose, resulting in the bankruptcy of most American railroads.
- Reliance on highway transport- This was no accident. GM and other car and tire manufacturers deliberately drove light rail systems out of business through subsidies to local governments buying their buses. The railroads were taxed out of business and America's addiction to the car and to highway transport was born. Truckers' unions became powerful and as their numbers grew, the truckers and the trucking companies became a potent alliance in promoting the highway lobby. The interstate highway system, started under President Eisenhower ostensibly for national security, fed the addiction as effectively as bumper crops of heroin from Afghanistan and cocaine from Colombia have fed America's drug habit. Nowadays, Congressmen routinely oppose "subsidies" to Amtrack and other public transportation systems, while subsidizing SUV sales, unselfconsciously lavishing all sorts of funding on the highway system, and bailing out mismanaged or otherwise troubled car manufacturers. No one questions the "subsidies" paid by taxpayers to maintain highways, roads and local streets. The number of Americans who make their living in industries related to automobile, truck and highway construction and utilization is now enormous, and all have a vital interest in seeing their sector thrive, no matter how irrational or disruptive to the national interest.
- Hiding the true costs of petroleum- Americans were up in arms when gasoline prices went over \$2 per gallon and most consider cheap gasoline their birthright. Europeans have for years paid between two and three times as much for gasoline as Americans have (currently over \$6/gallon) and the effect has been mainly to assure somewhat more efficient cars. The United States has a larger military budget than the rest of the world combined. No country is in any position to defeat the US militarily, but since our oil supplies come from various parts of the world, we maintain this huge military to defend our "birthright" of cheap gasoline. We abandoned a vital war against Al Qaeda in Afghanistan to start a catastrophic war in Iraq in the hopes of securing a more secure supply of cheap fuel, yet, there has been no talk of financing this effort by attaching its costs to the price we pay for our beloved fuel. There may be no free lunch but our motorists don't want to pay the real costs for gasoline. The military-industrial complex just keeps getting bigger and more out of control, and yet few citizens face the fact that most of its costs (in blood as well as treasure) are government subsidies to our cheap fuel.
- Healthcare by employers- In the battle between the auto unions and the auto manufacturers over health insurance in the post-WW II period, the unions lost. Led by Walter Reuther, they

had pushed for health insurance for all workers, but the corporations feared such a “socialistic” plan and agreed instead to provide generous health packages for their employees. Thus the model for employer-provided health coverage was established, the model to which Americans have become accustomed, and which people now expect. This policy has brought our major industries to the edge of bankruptcy and has left millions of Americans without health care.

- Healthcare insurance agencies- With improved technology, the costs, as well as the quality, of medical care went up. Since employers were providing health care, pressure grew to find a way to restrain costs. Profit-minded insurance companies took over the administration, driving up costs to the public further but also making huge profits through limiting care. There are now thousands of people in this industry, all with a vested interest in preserving the status quo and fighting to avoid a program of universal health care that would put them out of business. Our costs are the highest in the world, while statistically, in terms of infant mortality and life expectancy, we place toward the bottom end of developed countries.
- Corporate and Government employee pension plans- People in government and in large corporations are, or were, among those with the greatest job security, as well as the best pension plans. Being well set themselves, they see no need to alter the system by creating an alternative system in which all people would receive pension benefits. Those in government with the best benefits of all are the very people who shape our policies, and the top businessmen, those with obscenely generous salaries and golden parachutes, are in a position to buy Congressional opposition to anything which might benefit the population as a whole (usually seen as hurting business). Very few people with a corporate or government pension question the logic or fairness of why they receive a pension in addition to their salary, while others, working just as hard in other sectors, receive nothing of the kind.
- Anti-urban policies- Many Americans, from Thomas Jefferson to Robert Moses to George W. Bush have had a strong prejudice against cities. While Jefferson’s influence in this regard has been less than benign, he lived in a rural America with seemingly unlimited resources and a small population, and he did provide a model of rural self-sufficiency. Robert Moses had a great capacity to get things done, but his legacy, tied to the ubiquity of highways and the automobile, has been catastrophic. Our cities have been left in ruins, surrounded by a monstrous agglomeration of urban sprawl. Our farmlands have been sacrificed to housing tracts far from workplaces, assuring huge waste in the transportation of food as well as in the repetitious and mindless moving of people. All over the world, rural people are moving to cities and, especially in this time of high energy costs generated by the coming shortages of energy supply, it becomes increasingly apparent that the energy costs (and pollution generation) of living in cities is vastly lower than the costs associated with people living in urban sprawl. However, new generations of Americans have been bred thinking that this model is the ideal; that cities are innately evil, and their inhabitants are not worthy of regard. The government has continued to subsidize and encourage this pattern of development through selective mortgage guarantees, thoughtless road building, and destructive tax policies. The pro-sprawl mindset has become a self-fulfilling prophesy. The national abandonment of the cities has meant that even those people who understand the advantages of city living have nowhere to go, as the cities which once were places of advanced infrastructure, schools, transportation, cultural and recreational facilities, have been allowed to become havens of the most desperate elements of the society, i.e. crime-filled slums. For the legacy of the latest exemplar of anti-urban tilt, one need look no further than New Orleans. Other examples of anti-urban policy abound in the current administration but New Orleans is a story-book illustration. For many years New Orleans was considered one of the three most strategically important cities in the US, due its location at mouth of the Mississippi River, from which a large percentage of our exports have flowed. It is also a source of much of our own petroleum production and an even larger center for oil refineries. It was known for years that the levees protecting the city from flooding were at risk, and the Corps of Engineers plans to reinforce the levees were underfunded. Shrub the Decider decided to cut funding further. After all, New Orleans had a large and mostly poor, black, population. As we all know, the city was destroyed. Never mind the failed emergency effort. That was seen and functioned as an opportunity to further enrich big political backers. Federal plans to

rebuild the city have amounted to nothing. A portion of the city is reemerging for the tourist trade but any black, non-rich former denizen of New Orleans who can't play a trumpet or a drum is more likely to be found living in a trailer outside Houston than in the Crescent City.

- Real estate tax funding for education- After mentioning Jefferson's anti-urban bias it's only fair to mention his belief that the health of democracy was dependent on the availability of good education to all. The current American model for funding education was developed using local property taxes to pay for schools. In combination with tax deductions for both property taxes and mortgage interest, this policy has meant that some communities become ever richer, with ever more money for everything from high teacher salaries to the latest word in science and sports facilities. Older people tend to move out, to retirement in Florida or Arizona, and such towns become Yuppie child-rearing ghettos. Clearly, the income level required to live in such towns continues to rise to pay for the high taxes and property values. Those with lower incomes need to pay the same high prices and taxes but without the incentives that reduce their tax bills. Meanwhile those in less affluent communities see the per student expenditures for schools decline while the need for funding for their students is probably greater than those for affluent kids. Thus the foundation of Jeffersonian democracy, a well-educated populace, crumbles, as we turn back to a medieval model of an aristocracy surrounded by serfs.
- Prohibition- There may be some hope that we can learn and change. The misguided desire to abolish alcoholic beverages simply resulted in putting the industry in the hands of gangsters, and probably did more to encourage drinking than to discourage it. Fortunately, for once, reason eventually prevailed. This may have resulted from the levels of violent crime generated by the speak-easy mobs becoming too much for the public to stomach. Will the public ever revolt against the excesses of the military-industrial complex?
- Illegal immigration- The big issue of the day has the country divided against itself, with some who want a massive crack down on illegals and some who want a guest worker program. Again, the constituents of the status quo are powerful and numerous. There are plenty of laws against illegal immigration currently on the books. A Republican Senator from Colorado, who is trying to run for President and whose name I can't remember, steadily points out that we don't need new laws or new fences, we just need to enforce the law. I rarely agree with Republican Senators about much of anything, but this one is right. However, we all like the cheap grapes, lettuce and other produce, available because it's picked by cheap, illegal labor. Many people have their houses cleaned and their gardens tended by the illegals, and yet we complain about their presence. Again, we want a free (or at least below cost) lunch.
- Drugs- Very similar to the illegal immigration situation. We're all tired of the drug-related killings and the social problems associated with drug addiction. Nevertheless, what percentage of Americans wants to smoke a joint when they feel like it? Either the laws change or they should be enforced. A little hypocrisy is a needed social lubricant. We may be sliding down a well-oiled slope.

Good luck to the new Congress. May the Democrats grow a spine and the Republicans just take their cushy retirement and go.