

# Downside UP

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***Dear Readers:** After some 15 months coming back from cancer, I am thinking about a modified Downside Up. I don't know if this will be my last as well as my first shot, I'll do it monthly, or I'll just do it when I feel like it. Let me know what you think. – Ron*

## **Making Government What It Can Be**

The 2008 election is a lot about replacing people who hate government (except the military and intelligence agencies) with those who believe government can be efficient and effective in serving the needs of the people.

Ronald Reagan is famous – or infamous – for his statement that “Government is not a solution to our problem; government is the problem.” Up until then, Republican tradition promoted small government—meaning low spending balanced by low taxes. The Reagan innovation was to cut taxes and reduce spending on social programs and services, but pour money into the military. By this approach, Reagan ballooned the federal debt by far more than any president in history, including Franklin Roosevelt, who taxed the country to pay for World War II.

Behind the façade of small government was the real agenda of what anti-tax radicals still call “starving the beast” of social programs and services. Reagan cut Social Security personnel even though it was already the most efficient pension program in the world, public or private, measured by the ratio of money paid out to money taken in. He made welfare rules more complicated so fewer people would succeed in getting welfare. Even if Congress appropriated the money for protecting miners, preventing the sale of tainted food, or cutting pollution, Reagan simply didn't allocate the funds to hire the necessary inspectors. The goal was to make government operate so poorly that voters would turn against social and environmental programs and the taxes to support them.

Jimmy Carter deregulated air lines before Reagan, and Bill Clinton proclaimed the era of “small government” before George W. Bush. But George W. has out-Reaganned Reagan. He has refined the art of “starving the beast” while increasing spending on the military and intelligence agencies. Over the last eight years, thousands of regulations have been quietly dumped or not funded, especially with regard to the environment. Bush's government threw out Clinton's policy requiring the reduction of mercury from coal-fired power plants. Bush's government has refused to enforce mining regulations, which is why miners didn't carry a 24-hour supply of oxygen when so many died in West Virginia. Bush's government has cut funding to the FDA, which is why the Vioxx disaster was not an accident and should have been no surprise to anyone. After bank deregulation, the collapse of investment banks and the credit meltdown shouldn't have been a surprise either.

Bush's innovation was to dramatically expand "privatization" and "contracting out." This practice reduces the number of government employees and the quality of services. Contracting out is often invisible. You don't know whether your letter from the IRS is generated by a contract employee, but you may notice the disappearance of long-time people in our national parks. These are the people who have fixed the leaks, planted the plants, emptied the garbage, shored up the eroding soil year after year, often working outside their job descriptions because they love what they do and they love the parks. More noticeable to the general public are the park rangers, fewer and farther between, who have brought the parks alive in history.

Privatizing more than makes up for the reduced cost of government employees by spending on political cronies and lobbyists contracting for layers and layers of sweetheart deals while paying ordinary workers low wages with few benefits. Katrina is the archetype of this practice. Iraq is different only in that many of the workers have also been paid huge salaries in an environment where spending was profligate, competitive bidding almost non-existent, and audits far too late and ignored.

"No Child Left Behind" and the Medicare Drug Program are not contrary examples. The former, promoted by a president who ran on a platform to abolish the federal Department of Education, was barely funded at the beginning and now hardly at all. It was a classic "unfunded mandate" like those which Republicans constantly complain (rightly) that Democrats dump on the states (because they don't dare raise taxes). Medicare Part D, like No Child, was pushed by Republicans only for the purpose of blunting political support for Democrats, not because Republicans believed in it. "Big Pharma" actually supported Medicare Part D because it included the infamous provision barring the government from using its market clout to negotiate lower drug prices the way the rest of the world does. With Part D, we get both excessive profits and inefficiency, a two-fold triumph for lobbying, campaign contributions, and anti-government hostility.

### **Government Can Work Terrifically Well**

Democrats should be able to explain to the people that government can be good, even great. If government bureaucracies can be lumbering, they don't have to pay profits to shareholders or spend (like the drug companies) more on advertising than on new products. Employees have little incentive to cheat or lie. When treated well, and sometimes when not, they are willing to work with dedication for less than in the private sector because they love what they do and believe worthy the services they perform for the people of the country.

I don't want government in general retail except to protect health, safety and competition. But I know, with most of the world, that government can be a more efficient and effective provider of basic needs like utilities, parks, schools, and health care. Few people know how Connecticut, Massachusetts, and New York have created savings bank life insurance that blows away the private sector for simplicity, efficiency, and cost – because life insurance is, after all, no more than a mathematical formulation.

I have worked my whole life for the government in public colleges and universities and my wife in elementary schools, a state museum, and libraries. Our experience is of overwhelmingly dedicated employees who work for far less pay than they could get in the private sector because they love what they do and love doing good for the world. Yes, there were jerks and louts for which we need a fair but more effective

system for preventing. But the bad employees were few and far between – like fewer than what I have seen among the corporate golden parachute elite over the past 20 years of anti-government propaganda!

Teddy Roosevelt, William Howard Taft, and Woodrow Wilson (two Republicans as well as a Democrat) created our national parks, barred our children from working in mines and factories, created a central bank, and established basic regulations to protect ordinary Americans from unclean food. Franklin Roosevelt created the American middle class with minimum wage laws, union rights, federal deposit insurance, and federally supported housing loans. Lyndon Johnson’s poverty programs reduced poverty dramatically – and failed only because money was diverted to the Vietnam war and then simply cut. Richard Nixon extended the Clean Air Act in 1970 and signed the Clean Water Act in 1972. Medicare, given the unnecessary costs and complexity created by privatization, works amazingly well with impressive efficiency.

All this is what current day radical Republicans would destroy: the good stuff that serves people. Democratic politicians have been so out-propagandized by the “tax-cut” “small government” ideologues, they don’t dare say anything good about government. It is time for ordinary Democrats, and anyone else who cares about a government which serves the people, to stand up for good government. Be proud of it and make the case to our friends so they too can be proud.

**Ronald Woodbury** is the publisher, editor, and general flunkey for all of Downside Up. While publication benefits from the editorial advice of one of his daughters, a friend, and occasional other pre-publication readers, they will, for their own privacy and sanity, remain anonymous.

Woodbury has a B.A., M.A., and Ph.D. in history and economics from Amherst College and Columbia University. In addition to many professional articles, he has published a column, also called Downside Up, in the Lacey, WA, Leader. After a 36 year career as a teacher and administrator at six different colleges and universities, he retired with his wife to St. Augustine, FL, where he continues to be active in church and community. He has two daughters, one a physician and one an anthropologist, and six grandchildren.