

Downside UP

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The Woodbury Plan & Other Advice for Obama

Like so many Democrats, after eight years of the worst president since Warren Harding or James Buchanan, my wife and I are not just lusting for someone moral, intelligent, and capable of dealing with diverse cultures and opinions. We are yearning for enactment of our ideas for the country.

At the same time, we know we cannot expect Barack Obama to advocate just what we want when he won't even be able to pass just what he wants. After all, a lot of the reason we like him so much is because of his openness and willingness to accept other points of view.

Fortunately, we have with us here in rock-ribbed-Republican North Florida a group of close Democratic friends who, first getting together in horror after the 2004 election, went on to form a permanent advocacy group for our vision of a United States to be proud of. All from the same Presbyterian Church (USA) and calling ourselves, variously, "The Christian Left," "Christian Progressives," or "Progressive Christians," we have determinedly gotten together almost every month since to define ourselves apart from what passes for "Christian" in the Republican Party these days. We have gathered to hold high the banner of "loving thy neighbor" while enthusiastically partying, socializing and disagreeing with each other on the details. Now's our time.

On December 5, we are having our next meeting. Since I am in charge of the agenda for our discussion time, I am taking up another member's suggestion that we talk about what we would like to see Obama do and accept his invitation to send a statement to The Obama-Biden Transition Project web site (<http://change.gov/page/s/yourvision>). If any reader wants to send me any suggestions before December 5, I will include those in our discussions.

To start the ball rolling, I wrote an article for this issue of *DU*, but Obama, in his Saturday, November 22, radio address, trumped the "Woodbury Plan" by announcing, in general form, the idea I had just written about. Obviously utilizing a direct spyware link to my computer, he copied elements of my plan to stimulate the economy through reconstruction of the nation's transportation system and jump-starting an alternative/renewable energy program! (Actually, pieces of both his plan and mine have been floating around in and outside the Obama camp for some time.) Here is my plan:

Transportation Reconstruction

To create jobs, stimulate the economy, meet an overwhelming safety need, cut pollution, save energy, and reduce the rate at which suburbia sprawls and farmland disappears, the first priority of an Obama Government should be to rebuild our interstate highways and bridges, and expand our public transportation systems. It

could start immediately, financed with government bonds backed by a user fee on transportation fuels, diesel and gasoline. The current federal "tax" of 18.4¢ per gallon for gasoline and 24.4¢ for diesel does not come even close to covering the real costs of highway maintenance to say nothing of social costs like pollution, suburban sprawl, and destruction of public transportation. I propose an additional \$1.00 a gallon levy, applied at the rate of 10¢ every two months for twenty months and then adjusted for inflation in 10¢ intervals. The goal: to build a more efficient transportation "infrastructure" (as policy wonks call it).

There is arguably an important difference between a general tax, like a sales tax or an income tax, applied to the general population to support general government operations, and a fee, toll, or tariff "levied" for a specific purpose. When my EZ Pass monitor goes through a gate on the New York State Thruway, the gate collects a "toll" to maintain the highway. A "tariff" or "duty" is applied to imported goods. It is not a matter of deception but of clarity to make it plain that the gasoline and diesel "fee" is for the specific and exclusive purpose of supporting our national transportation system. We are only asking that users pay as they go.

Protecting the Environment/Renewable Energy

As with cars and trucks in transportation, industry often does not pay the true cost of their operations. Numerous studies all over the world have shown a high correlation between smelter operations and the incidence of asthma hospitalizations and overall mortality in surrounding communities. Wood processing plants take clean water out of, but dump polluted water back into, streams, rivers, and lakes. Coal-fired electrical utility plants pour proven poisons and carcinogens like mercury and lead into the atmosphere. Coal mining has laid waste the land and streams in large parts of West Virginia.

In every case, business accounting ignores social costs, treating water and air resources as free to be used and destroyed. Society then has to pick up the tab in greater health care costs, increased mortality rates, and clean-up. This is not free-market capitalism. This is organized destruction. In result, the people subsidize pollution through reduced health and paying for clean-up. China may be worse but the answer is for us to do better and help China do it too. It is time to count the all the cost of what we do. The government, as part of its responsibility to society, should impose a levy on air and water pollution, enough to cut them back, clean-them up, and fund alternatives.

A levy on coal-fired electrical plants and other polluters should fund renewable sources of energy but should not be applied to nuclear power which overheats the waters around reactors in order to cool them and still has no way for deactivating its radioactive waste. We already have in place nuclear power subsidies, including insurance against disasters (your life and mine), which are 100 times those for alternative energy like solar, wind, and geothermal.

A massive investment in solar and wind power would benefit both homeowners and businesses by boosting a dormant industry of small companies and big companies (e.g. GE, Honda) waiting to explode. One reason the industry has not yet taken off is that government energy subsidies have been irregular for renewable resources and mostly directed in fact to oil, gas, and coal by way of depletion allowances and failure to account for the social costs of pollution. If all these subsidies were transferred to alternative/renewable energy, we could cut our carbon-based energy

consumption by orders of magnitude not yet conceived (I think 30-40%). Good technology exists now and better is in the pipeline.

A Sound & Healthy Beginning

These ideas are obviously not off Obama's chart. The big difference between what I have heard him say and what I propose is that I strongly favor transportation and pollution fees to fund the program because: (1) Our current deficits and debt already represent a burden on the present economy and future generations, including his. (2) We are still fighting a war as if there were no cost to it. It is an educational moment. Teach people that pollution costs us money while alternative energy and good public transportation pay us back by helping to insulate us from oil price shocks and by promoting better health, safety, and quality of life. (3) My plan does not violate Obama's promise not to raise taxes on the middle class. The pollution levy is on polluters. The transportation tax only requires that users pay for what they get and for the pollution of what they buy, whether middle class or not. You can reduce your own "tax" by driving less or not at all, and buying a more fuel-efficient vehicle. (With gasoline prices temporarily so low, it is also a good time to institute this levy.) (4) Transportation and energy spending is not like a war which is mostly wasteful of human and material capital. The former have a multiplier effect, putting people to work directly and indirectly, and building capital for future growth.

I voted for Obama because he is pragmatic, is open to diverse solutions to problems, wants to bring people together, and proposes to govern for all the people. I cannot now turn around and claim, as many of my friends on the left now do, that he should immediately enact "our" program – as if we, or even most Democrats, all agreed with each other in the first place! Now is the time to work together. Obama has adopted my first-order proposals. Readers: send me your additional ideas no later than early on December 5. Christian Lefters: I look forward to our discussion that evening. I will write up a summary of our ideas and send them on.

Ronald Woodbury is the writer, 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 B.A., M.A., and Ph.D. degrees in history, economics, and international affairs 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. He has two daughters, one a physician and one an anthropologist, and six grandchildren.

You may also find *Downside Up* issues from June, 2008 to the present at <http://www.downsideup2.blogspot.com/>