Who Are You Gonna Believe?

President Obama’s signature on the debt-ceiling increase bill impelled the Rutland Herald to publish what amounts to the economic manifesto of modern liberals, socialists, progressives, and Sanderistas. Here are its key points.

Attaching provisions to the debt limit bill purporting to restrain federal spending over the next decade is a victory for “the extreme right wing Tea Party” and its “ideology of austerity.” The bill “gave Republicans the opportunity to persuade people that deficits are the principal danger facing the nation”.

President Obama collaborated with the Republicans by saying that the nation “must learn to live within its means, and we must get deficits under control.” This was a major mistake. When spending restraint leads to recession, Obama will not be able to push for more needed government spending.

By implication, the nation does not need to learn to live within its means, or get deficits under control.

The economy is weak due to a lack of spending by consumers. This situation requires the government to stimulate the economy with “government money”. Obama’s 2009 stimulus ($787 billion) was not large enough and spent itself too quickly. “Deficits caused by stimulus spending would be paid off later”, somehow.

The agreed-upon $2.4 trillion in spending cuts over ten years will starve the economy of money at a time when an infusion of money might help jolt the system out of its doldrums. The demand to cut government spending is “voodoo economics”.

The editorial stops short of joining the currently popular left wing attack on Tea Party-supported members of Congress for holding the government hostage to their demands for an end to deficit spending and rejecting tax increases to keep fueling Washington’s spending habit.

But the same issue of the Herald (August 3) features a New York Times commentary declaring that “Americans have watched in horror as Tea Party Republicans have waged jihad on the American people.” These extremists did this by almost preventing the United States government from issuing yet more debt.

Normal people would think that the term “jihad against the American people” would be reserved for Muslim fanatics flying airplanes into tall buildings.

The Herald editorial avoids mentioning the issue of taxes, but it’s safe to say that the Left ardently believes that there are rich people out there who have lots of money, and America’s fiscal problems (if any) would be solved if only Obama and Congress would summon the courage to slap them with much higher tax rates.

The top 5 percent of all federal tax filers have incomes above $158,619. They pay 58.7 percent of all income taxes. (The bottom 47 percent of filers who report positive incomes pay zero percent of the total).

Liberals have never been willing to state just what percentage of income taxes these rich people ought to be made to pay. However they believe as an article of faith that jacking up income tax rates for the top 5 percent, or the even smaller percentage who report income in excess of $250,000 (for a couple), will preserve everybody’s entitlements, and pay for tril-
Two Important Events in September

In the first two weeks of September at least two important events will take place.

One will be the trial opening September 12 in Federal District Court in Brattleboro. At issue is Entergy’s lawsuit claiming that the state of Vermont is precluded on constitutional grounds from shutting down Vermont Yankee, which now has a twenty year operating license extension from the federal Nuclear Regulatory Commission.

Entergy may well prevail on its case, in no small measure because the anti-nukes from Gov. Shumlin on down have repeatedly railed against Vermont Yankee because of alleged safety conditions. Safety regulation is the sole province of the NRC.

If Entergy wins on its commerce power challenge, the Court will probably not take up Entergy’s second cause of action –– that Peter Shumlin has publicly said that legislative approval of Vermont Yankee to seek a new Certificate of Public Good from the Public Service Board is contingent on Entergy selling power at a satisfactory (to Shumlin) discount to Vermont utilities.

This, Entergy’s lawyers say, violates the Federal Power Act. Whether it does or not I don’t know, but it is surely political extortion and –– as noted in this Letter of June 2005 – simony.

The other event will be Shumlin’s appointment of the five-person Green Mountain Care Board. The nominees for this panel of wizards have already been screened to assure fidelity to the numerous and contradictory principles set forth in last spring’s single payer bill. The Board will have enormous powers to reshape Vermont’s health care system. That is, of course, if Vermonters are willing to pay the $3 billion in new taxes to make this stupendous project even pretend to work.

On that point, be sure to visit www.vthealthcarefreedom.org (see page 5) and help collect signatures to press the legislature to make Shumlin unveil his $3 billion tax plan before the 2012 election, not after.
In remarks to the State Board of Education on August 9, Gov. Peter Shumlin announced that he was preparing legislation to implement universal public school choice in Vermont. "I’ve always been a proponent of school choice," he said, to the surprise of veteran school choice partisans who hadn’t noticed that tendency during Shumlin’s years of legislative service. It also surprised the Vermont-NEA teachers union, which the Governor had apparently failed to consult on the matter.

Shumlin observed that universal public school choice would remove the specter of tuition towns losing choice from merger discussions. He also stated that of course he opposed allowing parents to send their children to independent or parochial schools at public expense – but also said that he didn’t intend to interfere with that opportunity in the 91 existing tuition towns.

Taking that all together, universal school choice will expedite school district mergers, tuition towns won’t lose the choice their parents have had since 1869, but no one will be able to choose independent schools. This is surely an improbable combination of conditions.

First, some recent history. In his 1998 state of the state message, Gov. Howard Dean made a strong plea for parental choice in education, provided of course that the parents choose a public school controlled by the Department of Education and organized by the Vermont-NEA.

Two years later the Democratic legislature enacted Act 150, the public choice bill for grades 9-12. It set up a bureaucratic interschool exchange scheme heavy with restrictions.

Vermonters for Better Education, the parental choice organization, noted that the bill was little more than a fig leaf to allow some legislators to hide from their constituents “the naked truth that they have no intention of ever supporting a real school choice program.”

In its most recent (2008) annual report on the workings of the Act, the Department of Education found that less than one percent of all public high school students applied, and only about half of them actually enrolled in a public school of choice. The report concluded that “the small number of participants, both of those who applied and transferred and of those who applied but did not transfer, makes it impossible to draw specific or broad conclusions.”

The reason that Act 150 flopped is that most of the students who want out of public schools don’t want to go to other public schools. They want to go to independent schools, faith-based and secular, that offer the curriculum they want, teach to higher standards, maintain better discipline, avoid child medication excesses, steer clear of invasive behavioral questionnaires, reject politically correct indoctrination, and avoid a school climate often produced by combative teachers’ unions.

Enacting “universal public school choice” will not prove attractive to most of those parents.

If the condition of the forthcoming Shumlin plan is that parents can choose only among the public schools in a Regional Education District (authorized in 2010 but yet to be approved by voters), then parents in the tuition towns that joined a RED would lose their existing choice of secular independent (non unionized) schools. That would seriously cripple some or all of those schools.

If on the other hand the Shumlin plan would allow tuition dollars to follow any child to any public school in the state, some disfavored public schools would surely be driven to extinction. This is the main concern of the Vermont-NEA. It represents the teachers in potentially failing schools, who may find themselves out of jobs. Already the union is wailing about the possible loss of “locally funded, locally accountable and locally run schools”.

Since Shumlin rarely puts all his cards face up on the table, it is inviting to try to discern the strategy developing in his fertile mind. It would be surprising to see him emerge as a principled friend of parental choice for the sake of the parents and children.

One may be forgiven for believing that it’s more likely that the governor’s advocacy of universal public school choice will turn out to be part of a package designed to produce some other not immediately evident – or desirable – results.
The Ethan Allen Institute

lions of dollars of new “stimulus” spending for needed “investments” in public programs employing unionized workers.

They also believe that the “rich”, however defined for the purpose of relieving them of their wealth, may curse and moan, but will continue to create new wealth and jobs while paying ever higher rates on their incomes.

There is good reason to be skeptical of these beliefs.

Gov. Shumlin and Parental Choice in Education

On May 22, 1997, during consideration of what became Act 60 (H.527), Sen. Peter Shumlin voted in favor of Sen. Jeb Spaulding’s amendment for universal public and secular independent school choice. It was adopted 18-12, but the House would not accept it in conference, and it perished.

On July 17, 2001 the Ethan Allen Institute released a major report entitled SchoolChildren First. It proposed full public and secular independent school choice at public expense, plus a tax credit for homeschooling and for contributions to Student Tuition Organizations that grant scholarships to students attending faith-based independent schools.

Two days later three liberal Democratic Senators, headed by Peter Shumlin, called a news conference to “denounce a new school voucher proposal they said was an effort to dismantle public education.”

“In our view”, Shumlin said, “this is the most serious threat and assault to our education system put forward in my 13 years of public service. Put simply, if SchoolChildren First were to be implemented it would set up a system where we [sic] would remove the children from the public education system and create a fee-for-all free-for-all that would benefit the wealthy and leave the rest to survive.” (Rutland Herald, 7/20/01)

Shumlin did not explain how giving vouchers to poor children to allow them to attend independent schools would “benefit the wealthy”.

In the same, story, at the end, EAI President John McClaughry said that he that under the Institute’s proposal some 80-90 percent of Vermont students would continue to attend public schools. “The difference will be that those government schools would no longer be able to exist by extracting money from taxpayers. They would have to earn their budgets by satisfying consumers in the marketplace, like any other service business.”

In his August 9, 2011 remarks to the State Board of Education proposing universal public school choice, Gov. Shumlin rejected the inclusion of secular independent schools among choices available to parents: “Where you lose me is when you get into parochial and private school in school choice.” (Herald 8/10/11)

In the 1991 Legislative Directory Rep. Peter Shumlin reported that he graduated from the private Buxton School in Williamstown MA, and was a trustee of the independent Grammar School in Putney. In the current issue that information has been removed in favor of information that the Governor “likes to fish, hunt and garden and can sometimes be found shoveling manure and cutting hay at the dairy farm where he is a partner.”

The 2011 tuition at The Buxton School is $28,000 for day students and $45,500 for boarding students. The independent Grammar School in Putney does not post its current tuition, but says that the school was founded “by a small group of Putney, Vermont families with the understanding that a child’s elementary school years provide the foundation for all future learning.” Apparently the founders believed that the area’s public schools were failing to provide the desired foundation.

Who Are You Gonna Believe?

Continued from Page 1

Most sensible Americans, including all of the Tea Party supporters, believe that our national government, already $14.3 trillion in debt and with as much as $100 trillion in long-term unfunded liabilities, cannot keep incurring a trillion dollars of debt a year by borrowing 40 percent of what it’s spending.

They believe that “stimulus” spending is a costly farce, and that we cannot jack up tax rates, even just on “the rich”, to keep this spending spree going.

They also believe that the ever increasing tsunami of regulation threatens to strangle our economy, especially the small businesses that are our major job producers.

To the Herald and its fellow believers, these concerns are delusional at best, and a “jihad against the American people” at worst.

As con artist Groucho Marx used to say, “who are you gonna believe, me, or your own eyes?”

Among the 50 attendees were former Gov. Jim Douglas, Prof. Art Woolf, EAI Directors Frank Mazur and Anne McClaughry, and numerous other business and economic luminaries.

McKibben’s Great Opportunity: “Since Middlebury heats its classrooms 50 percent with oil, activist [and Middlebury College lecturer Bill] McKibben should demonstrate his sincerity during the coming two semesters by boycotting oil by teaching class every other day in an open-air, no-oil-heat environment. There are acres of such college-owned hayfield space to the west of the campus, on land which was ‘saved’ by college political maneuvering from becoming the footprint for the western bypass of US Route 7 around downtown Middlebury.

“The prospect of seeing McKibben in operation at temperatures around zero before a highly attentive class of young enviros-in-training is so attractive that I’d use some petroleum driving north just to see it.” – Martin Harris, former Sudbury resident now escaped to Tennessee (8/22 email).

Solar v Wind: Commenting on a rally by “Energize Vermont” to promote solar electricity and oppose “industrial scale wind”, former CTO Tom Evslin told WCAX: “That’s nonsense. The wind isn’t very effective and you can very well argue that it is not helpful to our portfolio, but solar is even less effective and it requires huge subsidies.” Evslin said solar power costs about 80 cents a kilowatt hour compared to about 6 cents for hydro or nuclear power. He says wind power is expensive as well. (WCAX 8/24)

Another Court Whacks ObamaCare: The 11th Circuit in Atlanta ruled (2-1) on August 12 that the ObamaCare individual mandate exceeds the powers of Congress.

Said the majority: “This economic mandate represents a wholly novel and potentially unbounded assertion of congressional authority: the ability to compel Americans to purchase an expensive health insurance product they have elected not to buy, and to make them re-purchase that insurance product every month for their entire lives.”

Global Warming Update: “The entire climate-change movement, fairly or not, is now in shambles, thanks to serial scandals about faked research, record cold and wet winters in much of Europe and the U.S., and the conflict-of-interest, get-rich schemes of prominent global-warming preachers such as Al Gore.

“The administration’s energy visions are forged by academics and government bureaucrats who live mostly in cities with short commutes and have worked largely for public agencies.

“These utopians have no idea that without reasonably priced fuel and power, the self-employed farmer cannot produce food. The private plant operator can’t create plastics.

“And the trucker cannot bring goods to the consumer – all the basics like lettuce, iPads and Levi’s that a highly educated, urbanized elite both enjoys and yet has no idea of how a distant someone else made their unbridled consumption possible.” – Victor Davis Hanson (IBD 3/24/11)

Explanation Please: “Since Governor Shumlin expects that both a single payer healthcare system and Physician Assisted Suicide will at some point become the law of the land in Vermont, he owes Vermonters a detailed explanation of how he expects the two policies to coexist. “ – Rob Roper (True North Reports, 8/19/11)

Remember This Statement: “We will only go ahead [with Green Mountain Care] if we’re convinced together as a state, that the system is better than what we have, that it costs less, it’s going to help create jobs, and we’ve got the cost containment system right. If we can’t do that, we’ll take our marbles and go home.” – Gov. Peter Shumlin, Rutland, July 26, 2011

Climate News from Australia: “Two federal leaders, Kevin Rudd and

Continued on Page 6

Make Them Tell Us the Tax Bill Before the Election!

Vermonters for Health Care Freedom is collecting petition signatures demanding that the 2012 legislature direct that the Shumlin Administration’s plan for financing $3 billion in new health care spending be released by September 15, 2012, instead of January 2013 – safely after the 2012 election. You can print out copies of the petition for you and your friends to circulate across Vermont at www.vthealthcarefreedom.org. Twenty or thirty thousand signatures ought to get their attention!
Malcolm Turnbull, were removed within six months of each other because of popularity plunges associated with climate advocacy. [Current Prime Minister Julia] Gillard would have joined them after last year’s election if she’d told the truth about her carbon tax scheme. Now we’ve even got [Labor stronghold] Balmain NSW voting for a state [Liberal] party that opposes carbon pricing. Liberal staffers claim the issue was a ‘flashpoint’ in many Labor electorates.

“The message will sink in one day. Outside of certain small political and journalistic cultures, climate change is worse than a non-issue. It’s an issue disputed and rejected.” Tim Blair, report from Australia, Sydney Daily Telegraph, 3/28/11.

“Silent Cal” Speaks: “A government which lays taxes on the people not required by urgent public necessity and sound public policy is not a protector of liberty, but an instrument of tyranny. It condemns the citizen to servitude.” (1924)

The perverse incentives that are embedded in fee-for-service physician payments influence care decisions and are a principal driver of the health system’s immense excesses. Encouraged by the RUC [AMA’s relative value scale update committee], sometimes unnecessary specialty procedures may appear more valuable and appropriate than primary care services. The system pays more for invasive approaches, so conservative treatment choices that are lower cost and lower risk to the patient may be passed over, especially near the end of life. The resulting waste, half or more of all health care dollars, has fueled a cost explosion that has led the industry and the larger economy to the brink of instability.” –– Brian Klepper and David C Kibbe MD, “Quit the RUC” (Kaiser Health News, 1/20/11)

And who do you suppose invented the incredibly wasteful Relative Value Scale payment schedule managed by the RUC? Dr. William Hsaio.

And who do you suppose informed the Vermont legislature that Vermont’s lamentable “non-system” is rife with waste and inefficiency, so much so that his single payer plan would produce $590 million in health care “savings” the first year? Sen. Peter Shumlin, Sen. Doug Racine, Rep, Mark Larson, etc. etc.

And who do you suppose paid Dr. William Hsaio $300,000 of taxpayer’s money for this information? Sen. Peter Shumlin, Sen. Doug Racine, Rep, Mark Larson, etc. etc.

Progressives see themselves as the only legitimate representatives of ordinary people. Yet their vision of what democracy requires frequently conflicts with what majorities believe and how they choose to live.

Add to this the progressive belief that human beings can be perfected through the rule of experts, and you have a recipe – when the people make choices contrary to progressive dictates – for generating contempt among the experts for the people whose interests they claim to alone represent.

And not just contempt, but even disgust at diversity of opinion, which from the progressive’s perspective detracts the people from the policies demanded by impartial reason.

The progressive mind is on a collision course with itself. The clash between its democratic pretensions and its authoritarian predilections has generated within its ranks seething resentment for, and rage at, conservatives.

Unless progressives cultivate the enlightened virtues they publicly profess and free themselves from the dogmatic beliefs that undergird their political ambitions, we can expect even more harrowing outbursts to come.” –– Peter Berkowitz (WSJ, 8/6/11)
The Ethan Allen Institute

EEP Director Meredith Angwin recently posted a new slide show with audio voiceover at http://www.energyeai.org/video-page.html that puts Vermont Yankee issues in context. It covers sources of replacement power, safety concerns including tritium, spent fuel and the implications of Fukushima, and Vermont Yankee economics.

There’s also a Save Vermont Yankee Facebook Page at http://www.facebook.com/pages/-Save-Vermont-Yankee/227287823978006

You can go to the page and “Like” it. You can also go to Yes Vermont Yankee, and “Like” the Facebook page from the blog. http://yesvy.blogspot.com/

If you are on Facebook, if you “Like” the blog you will get updates on Vermont Yankee on your Wall. The Save Vermont Yankee Page is an open page, and anyone can visit for updates and conversation.

Meredith is also available for speaking engagements. Contact her at Meredith@ethanallen.org.

Vermont Transparency

Website Now Offers State Vendor Data

Vermont citizens and news media can now readily find out the names of vendors selling goods and services to state government, and the purpose and amounts of the transactions involved. The Vermont Transparency site (www.vttransparency.org) now allows viewers to quickly sort through over 121,000 vendor transactions occurring over the first three quarters of FY 2011 (through March 31, 2011).

The site now reveals, for example, that in fiscal 2010 Vermont spent $25 million to provide heating fuel assistance, almost $24 million to rent heavy equipment and other construction machinery, and $22.5 million in interest on state bonds.

As other examples, the site shows that Newcomb Studios of Montpelier, run by cartoonist Tim Newcomb, received six payments from state agencies, totaling $9,238, for graphic arts work. The Vermont Natural Resources Council, with seven registered lobbyists, received one payment of $9,181.

The new feature complements state employee and legislator compensation data already available on the transparency site, along with a wealth of additional information about the workings and spending of state government.

The Vermont Transparency Project is a joint project of the two nonprofit organizations with widely differing economic philosophies, the free market Ethan Allen Institute and the liberal Public Assets Institute. The Project is believed to be the only such effort in the country co-sponsored by organizations of the left and right.

“Open government is the hallmark of democracy, and openness in how government raises and spends money is necessary if Vermonters are going to help shape the kind of state they want to live in,” said Paul Cillo, executive director of the Public Assets Institute.

Former EAI President John McClaughry, who initiated the project in 2008, said “we are grateful for the months of hard work by the Department of Finance and Management, under the Douglas and Shumlin administrations, that finally succeeded in getting this important data base into condition for release to the public. Now any Vermonter can quickly find out who is receiving our tax dollars, in what amount, and for what purpose.”

www.vttransparency.org

Energy Education News

EEP Director Meredith Angwin recently posted a new slide show with audio voiceover at http://www.energyeai.org/video-page.html that puts Vermont Yankee issues in context. It covers sources of replacement power, safety concerns including tritium, spent fuel and the implications of Fukushima, and Vermont Yankee economics.

There’s also a Save Vermont Yankee Facebook Page at http://www.facebook.com/pages/-Save-Vermont-Yankee/227287823978006

You can go to the page and “Like” it. You can also go to Yes Vermont Yankee, and “Like” the Facebook page from the blog. http://yesvy.blogspot.com/

If you are on Facebook, if you “Like” the blog you will get updates on Vermont Yankee on your Wall. The Save Vermont Yankee Page is an open page, and anyone can visit for updates and conversation.

Meredith is also available for speaking engagements. Contact her at Meredith@ethanallen.org.
Back in 1996 a Danish atmospheric physicist named Henrik Svensmark proposed that variations in the sun’s energy – and thus the solar wind – modulates cosmic rays impinging on earth from deep space. This in turn reduces the cosmic rays’ ability to cause cloud formation in the lower atmosphere.

In other words, the solar wind from a hot sun deflects cold producing cosmic rays, and thus warms the planet much more than the effect of the solar radiation itself. When solar activity is low, like now, the cosmic ray effect increases, more clouds form and reflect sunlight, and the planet cools.

The global warming crowd is fanatically dismissive of this theory, because if proven, it will destroy their theory that human greenhouse gas emissions will cause runaway global warming.

When I brought up Svensmark’s theory in an onstage “conversation” with Bill McKibben in Manchester four years ago, he contemptuously snapped “Science rejects that!” I was frankly shocked.

On August 24 the international CERN laboratory in Geneva reported the findings of their long awaited experiment to test Svensmark’s theory. It turns out that he was right.

Now watch the global warming establishment go crazy trying to escape the conclusion: There remains little or no climate change from human emission of greenhouse gases. The whole Al Gore-McKibben-IPCC-VPIRG-Shumlin program for energy taxes, government controls, and renewable subsidies will soon be heading down the drain.