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Facing grim reality

BOOK REVIEW

Out of Iraq

George McGovern and William R. Polk, Simon and Schuster, 2006

A FUNNY THING about most arguments about Iraq is that hidden behind both sides of the argument is usually the implicit assumption that we—the most powerful nation in the world—can make happen whatever we want to make happen, if only we have the will. You hear this in the declaration that we should stay in Iraq until the security situation improves, but you also hear it in the claim that we should withdraw, but slowly, so as not to make things worse. You hear more echoes of the same thing when people say the war was a good idea but the execution was botched, and you hear it in the assertion that we need to act to reshape the Middle East.

But a world without limits is an absurd fantasy, the product of a six-year-old's daydreams. The United States of America is the richest, strongest nation the world knows or has ever known, but is that the same as saying that it is omnipotent? In trying to figure out what to

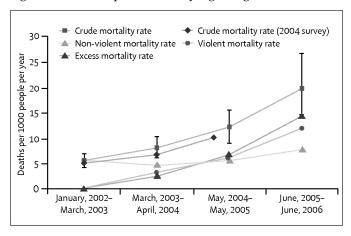


Figure 1: This chart is from an article entitled "Mortality after the 2003 invasion of Iraq: a cross-sectional cluster sample survey" by Gilbert Burnham, Shannon Doocy and Les Roberts, of the Johns Hopkins School of Public Health and Riyadh Lafta of the Al Mustansiriya University School of Medicine in Baghdad. The article was published in the British medical journal *Lancet*. (A link to the entire article is available at whatcheer.net.) There are some valid methodological criticisms one can direct at the study, but there are ample defenses, too. More important, the valid criticisms do not touch the most salient point in the data: the dramatic upward trend of the numbers. It's not the number of deaths, it's the way they're climbing. One could argue that, based on criticisms of this article, the excess mortality rate is only twice what it was last year, instead of being almost triple as reported. But that seems a fairly weak argument against the claim that America's involvement in Iraq isn't helping Iraqis.

do about the unholy mess that is Iraq in 2006, it would be nice occasionally to hear from someone who understands that we can only choose our own actions. We can attempt to influence the actions of others, but we cannot choose them (especially if they're willing to die for a cause). The truly unfortunate thing about the US in 2006, however, is that the people who understand this truth about limits are relegated to the margins, deemed "unserious" or "naïve" by the press and by senators, by the administration and by the flatterers that surround it.

So it is with some relief to greet the arrival of *Out of Iraq*, a book by George McGovern and William R. Polk, excerpted in this month's *Harper's* magazine. McGovern is, of course, the former Senator from South Dakota and candidate for Presi-

dent in 1972. Polk is a professor of history at the University of Chicago and founded its Middle East Studies Center in 1965,

Is it treasonous to point out that the most powerful country on earth isn't omnipotent?

and was a member of John F. Kennedy's state department before that, with a focus on the Middle East. The book itself is a mixed accomplishment.

The good part is that the authors have a keen awareness of the limits of our position, diplomatically, economically and physically. They are not the fantasists of the current administration, and ignore none of the effects of the war, on us, on the Iraqis, or on the rest of the Middle East. The less satisfying part of the book is their apparent indifference to the political realities of the US that will make their detailed proposals unheard and unread.

The introduction to Iraq and its recent history is worth the price of the book alone. The authors put the current war into a long-term perspective that includes the years of British occupation after World War I, followed by the decades of puppet government that succeeded it. They not unreasonably point out that these events are well within living memory of Iraqis and wonder why we would not imagine they color the Iraqi understanding of US actions.

News accounts of the war in Iraq tend to blend together in our minds. With an unremitting stream of stories about car bombs, roadside bombs and mass assasinations, it's hard to think of the country as anything but undifferentiated chaos. But the McGovern/Polk account of recent events gives shape to the news stories about violence. It's not random, and the violence has grown and changed shape and nature since it began, as the insurgency mor-

¹George McGovern, as a young congressman, was apparently in Baghdad to witness the fall of the puppet king and prime minister, whose bodies he saw dragged through the streets in 1958.

phed from disorganized criminals and looters to organized nationalist and sectarian attacks. The explanation of events like the siege of Fallujah and the US attack on a mosque in Baghdad last winter make clear that more is happening in Iraq than simple thrashing.

The accounting of recent history is unsparing in its description of the war's effects on us, too. They list the number of soldiers killed (now past 2765), and the numbers

These perfectly sensible proposals have no hope of enactment. So why waste the ink?

wounded (more than 27,000, counting non-hostile injuries). And some injuries are hard to count, but nonetheless matter in important ways: the au-

thors point out that a decade after the first Gulf War, around 169,000 of the 580,400 soldiers who served in that war were on permanent medical disability for one reason or another (that's 29%). As of January, 2005, over a million troops had served in Iraq and Afghanistan since 2001.² You do the math and guess what to expect in 2011 and beyond.

Former World Bank president Joseph Stiglitz (who won the Economics Nobel in 2001) and his colleague Linda Bilmes published a study estimating the costs of the war. Adding the direct costs to the indirect costs, like health care for the wounded and the opportunity costs of army reserve paychecks, they came up with a figure of more than \$2 trillion.³ This is an entire year's worth of federal revenue. Imagine every federal program you care about unfunded for one year out of the next decade or so. Do you care about education? Roads? Mass transit? Environmental protection? Health care? Prepare for life in a world of much lower limits.

The book presents a long list of the many ill effects of the war beyond these, including the weakening of constitutional protections against unjust search, seizure and imprisonment. It's all tragic to learn and useful to know. But this brings one to the weaker part of the book: the discussion of how, exactly to extricate ourselves from the tar pit of Mesopotamia.

Rhode Island Policy Reporter

What's really going on, instead of what's said about it.

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The problem here is that unlike the earlier careful contemplation of the limits of action, the authors seem to ignore the limits on the actions imposed by the American press and by those who will cry "treason" at any discussion of how exactly to achieve a peace. As written, these proposals for getting out are reasonable, even if they make it seem too easy. (For example, one can say we will owe reparations, but figuring out how and who to pay them to is not simple in a situation as fluid as this, nor is it clear to this observer that the "insurgency" is as monolithic as they suggest.) They even come with cost estimates that compare them to the cost of another day of the war. (Example: what we might owe in reparations is about three days worth of the cost of occupation.) But as usual, perfectly reasonable proposals find themselves beyond the scope of what is considered reasonable political discourse in this country. The book seems unlikely to get many reviews, despite its value. So why waste the ink?

The editor of this journal is perfectly aware of the limited value of presenting policy proposals that have no hope of enactment. But it must be done to prevent the constraints of political conversation from stifling our imagination and leading us all to believe that no alternatives are available. People who care not a whistle about policy, but only about power, dominate our politics—and the reporting about it. The attitude is extreme in the Bush White House, but it appears in some form at all levels of our government (and press) and it reveals itself in the rhetoric. You can't suggest a progressive state tax reform without being accused of not caring about our state, and you can't suggest a way to reshape the tax burden

of a town without being reminded that the Soviet Union lost the Cold War. These are the voices of politicians, press and citizens who don't really care what is the best solution to a problem.

It's bad for all of us to live in a world where we're not allowed to imagine alternatives.

That's why.

These people only care that whatever is done fits their prejudice of the possible. This is a shortcut to ruin.

As McGovern and Polk make crystal clear, the current course of the war is unsupportable, financially and morally, and therefore the administration's insistence that any discussions of withdrawal are nothing but treasonous talk of "cut and run" only hasten the day that their own policy choices leave them no alternative but to do exactly that. By brooking no discussion of other possibilities, they reveal that they are not serious about the health of the country, only about their own political futures. If the legacy of the war is that is that it weakens the respect some of our populace has for these tough talkers, that will be a meager silver lining to this awful war.

²Source: Salon magazine, supporting links at *whatcheer.net*.

³National Bureau of Economic Research, Working Paper 12054, February 2006

Too many chiefs

PETER IAN ASEN

A new Bush administration decision threatens to eliminate union rights for many workers by falsely calling them supervisors.

If I am a charge nurse, and as part of my job, I tell other nurses which patients they are going to cover for the shift, am I a supervisor?

This is not a koan, or a riddle about trees falling in the forest. It is a question that has just been answered by the National Labor Relations Board (NLRB), with serious implications for the labor rights of millions of American workers.

At the end of last month, the Board ruled in a case called Oakwood Healthcare that charge nurses who divvy up floor assignments do count as supervisors under the National Labor Relations Act. As such, the Act does not give them to right to organize a union and bargain collectively, or prohibit actions by employers intended to stop union organizing.

The 3-2 decision, issued by the three Republican appointees to the board, has implications far beyond nursing or even the health care industry. Unions and antilabor management consultants across the country have had their eyes on a group of cases including Oakwood Healthcare known collectively as Kentucky River which have been winding their way through the NLRB and the courts for years. ("Kentucky River" is the name of the 2001 Supreme Court case which provoked the NLRB decision: 532 US 706.) The pro-labor Economic Policy Institute estimates that the new definition of "supervisors" instituted last month could impact up to 8 million American workers. Industries as diverse as healthcare, construction, journalism, and longshore work could be hit essentially, anywhere that higher-skilled workers help to direct the work of their co-workers but who would not have been considered supervisors under previous, less broad interpretations.

Except for classes of workers who have always been exempt from the National Labor Relations Act (most notably, public employees, domestic workers, and farmworkers) most workers have since the NLRA's passage in 1935 had either those rights that people normally associate with managers—the right to hire and fire, or effectively recommend the same, for example—or the right normally associated with non-managerial workers, to form a union or to otherwise act in a concerted manner.

But this decision threatens to change all that. In their dissent, the two Democrats on the NLRB said that the decision "threatens to create a new class of workers under

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federal labor law—workers who have neither the genuine prerogatives of management, nor the statutory rights of ordinary employees" and warned that the board's new precedent would broadly threaten the rights of professional workers.

Nationally, labor leaders are sounding a similar tone, as the new decision aggravates longstanding frustrations with the labor board's

union election process, which has crippled new union organizing (see my article in **RIPR** issue 20).

If the law says you're a manager, but the company says you aren't, where does that leave you?

The NLRB should protect worker rights, not eliminate them,"

AFL-CIO President John Sweeney said in a statement. "If the [Bush] administration expects us to take this quietly, they're mistaken."

It is unclear, however, what a political or a protest strategy will do to change the new rules of the game. But whatever long-term strategy emerges, it is likely that management in many workplaces will try to use Kentucky River in the short-term as both a club against existing unions or as a tool to fight new unionization efforts.

"New organizing is definitely a problem" in a post-Kentucky River context, said Chris Kutalik, co-editor of Labor Notes magazine. "Whenever there's an election, Everyone always plays the game of who is a supervisor." The decision will make management's ability to whittle down bargaining units even worse. In particular, it may allow them to remove highly skilled workers, who often have great leverage in union organizing, from unionization efforts.

I asked Kutalik if he thought that management would work to change job descriptions, in hopes of fitting as many workers as possible into the new definitions of "supervisor".

"Wouldn't you," he asked, "if you were a boss?"

Our flinty neighbors to the north

Broadcast television has made our nation more homogeneous, but it hasn't erased all the differences yet. Talk to anyone who has recently moved to another state and you'll find a long list of little things that are done differently there. A friend moved to Virginia recently and was pleasantly surprised to discover the extensive network of community swimming pools and the swim teams that inhabit them, something Rhode Island doesn't really have. (On the other hand, ice time is pretty hard to find there.)

Often, the differences are masked by the similarity. We have high-school football games, and Texans have high-school football games. But the scale of the enterprise is

entirely different, and if you don't inquire for the details, you miss the whole story. Which brings us to some missing details about New Hampshire.

I spent a little while recently talking to people about government services in the Granite State. Since Rhode Island, for the most part, takes up very little psychic room

Some important differences between states simply don't show up in the aerial view.

in their brains, they were a bit surprised to learn how much we hear about their state. But without a sales tax or an income tax, they are the low-cost

alternative to Boston, and have done well by that strategy. There are plenty who believe that we should learn from this example, and they rarely seem shy about saying so. A September letter in the *Providence Journal* pointed out that NH maintains four times the road mileage as we do, and they do it without an income tax. A September 19 op-ed echoed the same. A story in the October 4 *Journal*, about *Inc.* magazine's two-star rating of Governor Carcieri's record has advice from *Inc.*'s publisher that we would have had some of NH's job growth if we had a similarly "favorable tax climate." The list goes on.

But these comparisons never seem to address some basic differences between how the two states conduct their business. Some services we take for granted, New Hampshire doesn't supply, and others are supplied by property-tax funded towns or counties instead of the state. Here's an entirely random and non-exhaustive list of some food for thought:

Corrections New Hampshire counties (supported by county property taxes) run jails for short-term offenders, and run the county court system. These are state functions here.

Welfare Towns in New Hampshire play an integral part in the provision of the "safety net" for poor residents. Welfare directors in each town are responsible for providing whatever help is necessary—out of town budgets—to "any person who is poor." In Rhode Island, we have welfare directors, but in most towns the office merely directs applicants to private or state agencies that actually provide help, or coordinates charitable efforts on behalf of the poor.

Tuitions Funding for Rhode Island's state colleges has slowed, and tuitions have gone up by a lot, but we still aren't at New Hampshire's level. A year's tuition at UNH costs over \$10,400 compared to \$7,700 at URI. A semester at CCRI costs \$1,100, but New Hampshire community colleges are over \$1,900.

Libraries New Hampshire has town libraries, and Rhode Island has town libraries. But, unlike New Hampshire, a significant portion of our libraries' funding comes from the state, which also contributes to the maintenance of a common card catalog, and to a cooperative network where each library extends borrowing privileges to the patrons of all the others.

Planning New Hampshire has essentially no statewide or regional planning capacity. Towns are pretty much on their own. Rhode Island has a comprehensive planning statute that is a national model, and though there are glitches in the process, the state does take a careful look at municipal "Comp" plans and tries to ensure that a town's plans don't conflict with the policy of the state or with its neighbors. In New Hampshire, they let the courts work this out.

Education Leaving aside the question of funding levels for public education in the two states, New Hampshire's Department of Education does not provide some important services that we take for granted here. Rhode Island's InfoWorks, SALT and In\$ite programs all provide valuable information on the achievement and spending of our local school districts in a way that allows good comparisons between them. Nothing like them is available in New Hampshire.

Health The functions of Rhode Island's state health department—epidemiology, public health, food inspection—are, in New Hampshire, the responsibility of the towns (if anyone).

The tax comparison itself also has interesting wrinkles. If I, a self-employed individual, were to move to low-tax New Hampshire, my state taxes could *increase*. NH imposes an 8.5% tax on "business profits," and the businesses in question are defined much more broadly than

in RI. (They have triple the number of corporate taxpayers, but only 20% more people.) The business owner is allowed to be paid an untaxed

If I (a self-employed person) moved to New Hampshire, my state taxes could <u>increase</u>.

"reasonable" wage, but the rest is taxed. For businesses that earn more than \$150,000 per year, the tax rises to 9.25% tax. These are quite high rates compared to other states, and these taxes fund almost a quarter of their budget. RI's corporate taxes fund only 4% of our budget.

New Hampshire also assesses a 5% tax on interest and dividend income, which is a higher tax than RI assesses on this kind of income, for all except people who earn more than a couple hundred thousand a year. So business owners and retirees often pay *more* than they do here. No one is going to dispute that taxes are, on the whole, lower in NH than in RI, but as usual, the picture is not as simple as it's made out to be, and the people who insist on the simple-minded comparisons are doing more to obscure the issues than reveal them.

Referenda in November

In a few weeks, we'll have an election to vote in. Because most of the content has been leached out of the reporting of politics in America, most of us will vote on candidates without exactly knowing what policies they stand for. How many know, for example, that Lincoln Chafee has fully backed CAFTA (free trade with Central America) and permanent trade relations with China, and voted for the credit-card industry-backed bill to restrict personal bankruptcies in 2005? How many know that Governor Carcieri has repeatedly passed up an easy opportunity to lower pension costs for all the cities and towns in the state?

But there is one place on the ballot where we have to learn about the issues, since the issue is the only thing there. Here is our list of the statewide referenda you'll see in the voting booth this November.

Gambling Question 1 will permit the Narragansett Indian tribe to build a casino in West Warwick with their "chosen partner," Harrah's Entertainment, in this case. Harrah's is planning to pour about a billion dollars into building this project, so the construction will certainly provide jobs. And the casino itself will employ people after it's built. But whether this will be enough to outweigh the negative impact on Lincoln Park and Newport Grand is quite unclear. Even more unclear will be the state's share of the proceeds. The state takes 60% of the slot revenue in those places. Harrah's offered 25% once, but there's nothing written down.

The whole selling point of the casino to the House leaders who put this on the ballot is its impact on state and town finances. But these "details" are completely absent from any public document. Harrah's has offered its number, but it's not written into the referendum. And once the casino is approved by voters, the power in the negotiation slips right over to Harrah's. We are inviting an 800-pound gorilla to share our little state with us, and only hoping that he doesn't stain the carpet.

Right to Vote Question 2 would restore the right to vote to people who aren't in jail, but are still on probation or serving a suspended sentence after a felony conviction. Rhode Island is the only state in New England that does this. Probation and parole are supposed to be ways to ease the former criminal back into society. The way we do it, though, it's just a continuation of the sentence. It's fine to think that someone's sentence should be longer, but the fact remains that these are people who are out in the world, living and trying to work among us. One would think it important to make it easy for them to succeed.

Capital Budget "Reform" Question 3 is a technical change to the constitution changing some aspects of the state budget. Right now, each year, the state budgets only

Introducing the RIPR Speakers' Bureau

Curious about what's really going on in our government(s)? Contact the new RIPR speakers' bureau for a brief, informative and not-too-dull talk by editor Tom Sgouros: "Ten things you didn't know about Rhode Island." We are ready and eager to dispatch our mobile explanation team to stamp out misconceptions at your Rotary Club, Chamber of Commerce, union meeting, knitting circle, picnic or clambake. The focus can be on taxes, education policy and education funding, affordable housing and more. We even bring the podium.

Got an event coming? Give us a try. Contact us by email: editor@whatcheer.net or see whatcheer.net. —TS

98% of the revenue we think we'll receive. The remainder gets put into a "rainy day fund" which is used to carry us over short term cash-flow problems. The fund itself is capped at 3% of revenue, so when it's full, whatever is left over is the "Capital Plan" and is to be spent on capital projects like parking lots, and repointing bricks in state buildings.

The problem is that one of the ways that the state budget has been balanced in the past few years is by calling repayment of state bonds a capital project, and moving it into the Capital Plan. So this year, we'll spend about \$25 million on capital projects and about \$39 million on repaying bonds out of this fund. This is not the way the Capital Plan/rainy day fund was planned, and the people who planned it are upset about that and want it restored to its original purpose. If I were planning a new state from scratch, this is how I would design a budget process. But I'm not, and reality forces me to admit that this is how the state has been balancing its budget for several years. Approving this measure will mean a \$30 million hole in next year's budget in the name of fiscal fitness, but that money will be spent on maintaining state buildings instead. Maintaining our buildings is important, but our Governor views the budget as a zero-sum game. No new expense is worth paying for, in his opinion, so the extra costs will certainly displace something else. If you were concerned about cuts in state spending last spring, you should be very concerned about passage of this measure.

The measure also increases the size of the rainy day fund, from 3% of the general revenue to 5%. But this change is phased in over a few years, so it won't be a very dramatic change at all.

Higher Ed Bonds Question 4 is a \$73 million bond for one high-profile project, and one smaller, but probably necessary one. The high-profile project is a new College of Pharmacy building at the University of Rhode Island in Kingston. The lower-profile project is a renovation of some buildings at Rhode Island College.

High-profile projects like the College of Pharmacy are the way universities attract students as well as funding. In other words, this is potentially an investment with a payoff. The pharmacy program is a good one, and has grown out of its current home. But the likelihood of the investment paying off in the long run is also dependent on whether the state chooses to support the university or (as is currently the case) not. State support of our colleges has been on a 15-year slide, though the state is always ready to borrow for fancy buildings to appear supportive. Our colleges are now essentially private institutions with a little bit of state funding. In 1990, the state contributed a bit less than \$70 million to URI, and tuitions made up a bit more than \$40 million. In 2007, the state's contribution will be \$86 million: up 23%. But the tuition contribution is up well past \$100 million: up 150%.

Transportation Bonds Every two years, voters are asked to approve another round of borrowing for RIDOT. What voters here may not realize is that what seems like a routine operation here is very unusual among states. We are among the only states in the country who borrow year after year to fund our road construction. Most states borrow for unusual expenses, like big bridges or toll roads, but we borrow for *everything*, and every year the debt service we pay goes up by \$3-4 million. It's the very definition of an irresponsible budget practice and the same people who insist on the "prudence" of a reform like question 3 see nothing wrong with this routine borrowing.

Had Lincoln Almond stopped this practice a decade ago, we would now have about \$300 million less state debt. The interest on that debt is roughly equal to what DOT is proposing to borrow in this bond measure. In other words, we're now borrowing to cover debt service payments. Using a credit card to pay your credit card bills is a common financial strategy, but not a good one. DOT

is in a deep fiscal hole. Vote yes on number 5 to make it deeper. There's much more about DOT's fiscal woes in **RIPR** issue 7, available at *whatcheer.net*.

The transportation bond is lumped with a bond to buy new bus equipment and transit improvements. It's \$80 million for highways and \$7 million for commuter rail stations in Warwick and Wickford and \$1.5 million for new buses. These kinds of transit improvements are always lumped with DOT bonds, to help them pass. The strategy is a disgrace, since people who think the state needs more transit are forced to vote for more highways. There's nothing essential about doing it this way. The Department of Environmental Management does the opposite, and has three bond issues at stake.

DEM Bonds Bond question 6 (\$11 million) will fund the rebuilding of big parts of the Roger Williams Park Zoo, number 7 (\$4 million) will rebuild part of Fort Adams and provide some improvements around that park, and number 8 (\$3 million) is for helping towns build soccer fields and playgrounds. All of these are general obligation bonds, which means they will be repaid by state tax money, not by zoo or park admissions, or by the towns that receive the help. They are also very modest in size compared to the benefit received.

Affordable Housing Question 9 is a \$50 million bond to build affordable housing. The housing market in the state is in deep crisis, and anything will help, but this bond won't help much. Residential housing is a \$5 billion a year market, so this much money isn't going to do much except provide housing to a few lucky families. The truth is that our housing crisis is really a market failure, and the state really has no housing policy besides building a few units, and forcing towns to develop a policy of their own. Until the state decides to address the market conditions directly, we will all suffer.

Annnouncing the RIPR speakers' bureau! If you like to have something to chew on, please give us a call. See p. 5.

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