Public School Monopoly Assailed

A Nation at Risk is the name of an often-cited federal report deploring the sad state of America’s public schools. In the two decades since its release, politicians have tirelessly pledged their “support” for education, but public-school performance has declined further.

Why has real reform remained elusive? And what strategies have the best chance of giving children the quality education they need to thrive in a dynamic, information-based economy?

Economist John Merrifield (U. of Texas at San Antonio; author, School Choices: True and False) and Peter Brimelow (author, The Worm in the Apple) addressed these questions at the Independent Policy Forum, Solving America’s Public School Crisis (Feb. 20).

New Book Questions “Sustainability”

In recent years, the term “sustainable development” has been propounded by numerous activists and thinkers who seek environmental protection, government management of the economy, and “social justice.” In hope of achieving this vision, these proponents would impose a host of new laws and restrictions at all levels—local, national, and international.

The proponents of sustainable development often claim scientific, economic, and philosophical support for their agenda, but this is a pretense that masks a counterproductive hostility toward genuine science, economic progress, the rule of law, and individual liberty, according to Oxford University economist Wilfred Beckerman, in his new book from the Independent Institute, A Poverty of Reason: Sustainable Development and Economic Growth.
President’s Letter:
Liberty, Peace, Security and Truth

“As Qaeda is on the run. That group of terrorists who attacked our country is slowly but surely being decimated. . . . They’re not a problem any-
more.”—President George W. Bush

In its recent report, the State Department has announced that the number of terrorist incidents and deaths around the world has dropped to a twenty-year low, despite 9/11. However, Al Qaedaterror incidents have increased with U.S. intervention in the Middle East. And in its new annual report, Amnesty International notes that Washington’s war on terrorism has made us less safe by giving governments an excuse to abuse individual rights in the name of “state security.”

Meanwhile, the National Debt Ceiling has just been raised to $7.3 trillion. The FY ’04 budget of the U.S. government has increased to $2.2 trillion, not including the costs of occupation/reconstruction in Iraq, with spending of $2.7 trillion on the military over the next six years, the largest increase in defense spending in a generation. As a result, under the Bush Administration the level of federal power has now increased at twice the rate under Bill Clinton, for the largest increases since the days of Lyndon Johnson’s Vietnam War and Great Society!

Furthermore, the Department of Justice is seeking to expand police powers beyond the USA PATRIOT Act, which would give it discretion to arrest even U.S. citizens without charge up to and including stripping away their citizenship rights. And, the U.S. Supreme Court has just ruled that the police may use coercive means to extract information from anyone so long as the results “are not used in court.”

Spin, secrecy, deception, and misinforma-
tion remain the key means for these sorry changes. In contrast, the Independent Institute’s events (p. 1), publications (pp. 1, 5), and media programs (p. 4) are committed to uncovering the truth. We invite your involvement via our website, books, The Independent Review, events, audios, videos, and more; and by becoming an Independent Associate Member.
Chief among the reasons for educational decline, according to Merrifield, is that the monopolistic government school system has acted as though all children learn the same way. Rather than teach in a manner that matches individual student needs, schools largely employ a one-size-fits-all curriculum. Government schools have little incentive to do otherwise.

“The system assumes that incentives don’t matter, that people work just as hard, and innovate just as hard, and do all the same things whether they get rewarded for success or punished for failure or not,” Merrifield said. “The system assumes that children, because they’re put in the schools based on attendance areas, can and should be taught the same things in the same way. Uterely ridiculous—a denial of all the diversity that we see around us all the time.”

The best hope for improving K-12 education, Merrifield argued, is to foster competition among schools and end fiscal discrimination against parents who remove their children from public schools. Unfortunately, school choice programs to date have been too limited to transform the educational system. Typically, only a small percentage of students can receive vouchers, and parents are not allowed to add their own funds to augment the voucher.

Peter Brimelow took a complementary tack, emphasizing the role of teachers unions in blocking meaningful school reform. “Curiously enough, one of the things that the National Education Association actually did when it became a union was to unify its dues to compel teachers everywhere who joined any branch of the NEA to join the national union,” he said.

“In the end, it goes down to the collective bargaining laws. The collective bargaining laws have got to be removed, weakened, so that teachers don’t have to accept the leadership of the union. At least so there’s competition among representatives. . . . Many teachers don’t realize they belong to a union, by the way.”

For the transcript, see www.independent.org/tii/forums/030220ipfTrans.html.

Independent Policy Forums are available as audiotapes ($18.95), videos ($28.95), and transcripts ($7.00)—prices include shipping.

New Center on Peace & Liberty Launched

Washington has declared that the war on terrorism must be a global war without end, most recently with the U.S. war in and occupation of Iraq—all while Saddam Hussein, Osama bin Laden and others have escaped. World leaders view U.S. interventions with alarm, and the U.S. is more hated than ever. Could U.S. policies be provoking such hatred and threats to the safety of Americans and people around the world?

At home, the U.S. government has created new protectionism, corporate welfare, and pork as interest groups line up to cash in on the terrorist crisis. Government agencies have acquired broad new police powers to spy on and detain Americans and foreign nationals without due process. Will the USA PATRIOT Act really hinder terrorists or simply destroy liberty as the U.S. itself shreds the Bill of Rights? And are such policies producing a safer, freer, and more peaceful world?

To examine such questions, The Independent Institute has founded the Center on Peace & Liberty. The Center, headed by national security expert Ivan Eland, is an integrated program of research, publications, events, media, and Internet projects to boldly advance understanding of government “crises” and their impact. No issue is more central to making peace, open markets, individual liberty, and the rule of law the cutting edge for change. While others play politics, the Center on Peace & Liberty gives journalists, policymakers, scholars, community leaders and the general public a reliable, one-stop shop for experts and sound analysis. See http://www.independent.org/tii/tii_info/centerpeaceliberty.html.

Independent Policy Forum: Solving America’s Public School Crisis

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The Independent Institute in the News

- Discussions about the War on Terrorism and the U.S. Department of Homeland Security included comment from senior fellow Robert Higgs in Al-Ahram Weekly (Egypt, 8/15), Democrats.com (8/30), MovingIdeas.org (9/4), UPI (9/5), nationally syndicated Chicago Tribune columnist Steve Chapman (9/6), Sun-Sentinel (FL, 9/8), Orange County Register (9/8), AlterNet.org (10/11), and National Review (10/14). Dr. Higgs also appeared on two episodes of the PBS program “Uncommon Knowledge” (July).

- Since the birth of the Independent Institute’s new Center on Peace & Liberty, members of the media now look to the Center as a source for information and expertise on issues surrounding U.S. policy in the Mideast. Ivan Eland, the director of the Center, has been an invaluable resource to the Institute in its media coverage. His analysis of the war has been quoted in many publications, including in the Orlando Sentinel, Christian Science Monitor, Orange County Register, Philadelphia Daily News, New York Times, and Barron’s. In addition, he has appeared on numerous radio and television programs to discuss the war and its implications, including KIRO-AM (Seattle), WBIX-AM (Boston), WOOD-AM (Grand Rapids), KSFO-AM (San Francisco), KQED-FM (San Francisco), KTLK-AM (Portland, OR), CNN, and several times on Fox News.

- Other Independent Institute scholars continue to gain exposure in the media. Senior Fellow Robert Higgs was quoted on NPR’s “Soundprint,” Research Fellow S. Fred Singer was on KSFO-AM (San Francisco) to discuss his book Hot Talk, Cold Science, Michael Krauss was on the nationally syndicated “Larry Elder Show,” Wendy McElroy was on the Talk Radio Network’s “Advice Line with Roy Masters” and Radio America’s “Families Under Siege,” and Bruce Benson was on Wisconsin Public Radio.

- The Independent Review picked up some notoriety when United Press International quoted contributor Craig Marxsen for his article on the environment and an analysis of the book, The Limits to Growth (1/24). UPI notes, “Marxsen said that the book’s predictions clearly have not come to fruition, and therefore should not be a driving force in environmental policy making.”

- The Independent Institute’s research fellows continue to generate numerous op-eds. Robert Higgs’s op-ed, “Market’s Dangerous Liaison with War” appeared in the Providence Journal-Bulletin (3/4) in which he discussed how the war is crippling free markets. Another of Dr. Higgs’s op-eds entitled “President Bush’s Faith-Based Foreign Policy” appeared in the San Francisco Chronicle (2/13).

- William Shughart II recently addressed the California budget crisis in the Los Angeles Times. In his op-ed on May 5, 2003, Shughart suggested that rather than raising taxes on Californians, the state ought to sell off some of its assets. “In addition to avoiding further spending cuts or tax increases in the short run,” Shughart writes, “privatization has the long-run benefit of getting the state out of the business of managing assets that it should not have had in the first place.”

- S. Fred Singer’s op-ed on the global warming debate, “The Senate Split on Warming,” ran in The Washington Times (4/23). Singer tells the readers of the paper in the nation’s capital, “There is no better time for the Senate to act and to leave the Climate Treaty than now since President Bush has termed the Kyoto Protocol to be ‘fatally flawed’ and contrary to American interests.” Singer also had a letter to the editor on the Mars Voyage appear in the Wall Street Journal (2/10).

- Research Fellow Alvaro Vargas Llosa’s op-ed, “Surgical Ordinance,” in which he discussed the history behind the politics and culture of Iraq, was featured in New Perspectives Quarterly and on MovingIdeas.com and AntiWar.com. Mr. Vargas Llosa notes that Arabs are driven away from the value of freedom, leading to the current situation that no Arab country is free. He also had an op-ed on Peruvian history run in various Spanish and Puerto Rican publications.

- Wendy McElroy is keeping busy as a regular FoxNews.com columnist. Some of her columns include “Gambling with Race and Gender Cards” (1/20), “Iraq War May Kill Feminism as We Know It” (3/18), “Why We Must Discuss a Post-War U.S.” (4/7) and “War May Redefine Gun Control” (4/15) which led to a radio interview on WRVF (Toledo, OH, 4/17).

- In reacting to President Bush’s trip to the Bay Area to discuss the economy, Institute President David Theroux was interviewed on NBC 11, and research fellow Richard Vedder was quoted in the San Francisco Chronicle (5/3).
The Independent Review: Airline Security • Eco-catastrophism • Soviet Collapse

The Independent Institute’s quarterly journal The Independent Review continues to publish path-breaking studies on government policy (subscriptions: $28.95 per year).

- The U.S. government’s federalization of airline baggage checkers has transformed an air-security system in need of minor improvements into a drastically more expensive and less efficient system, according to a study of the new federal Transportation Security Administration (TSA).

"By overreacting to the terrorism threat, the federal government actually has added to the damage, handing those who hate America an even greater victory," writes Roger Roots (Univ. of Nevada) in The Independent Review ("Terrorized into Absurdity: The Creation of the Transportation Security Administration," Spring 2003).

The security failures of 9/11 were not the failures of airport screeners, Roots emphasizes. For many years screeners had prevented several potential hijackings by detecting illegal guns or bombs—that’s why the terrorists had to take a different approach, using the planes themselves as bombs. However, by federalizing baggage screening, the TSA places this task in the hands of a less effective and less accountable workforce: federal employees.

The inefficiency of federal airport workers is significant, according to Roots. After President Reagan de-unionized and privatized the Air Traffic Controllers in response to their 1981 strike, the FAA discovered that control towers had previously been overstaffed. Where it contracted out its services, costs fell by 25 to 50 percent.

Americans were still reaping the benefits of the 1981 monopoly-union termination years later. In 1993, the number of controllers was still approximately two thousand less than the number on the federal payroll when Reagan fired the controllers, but the smaller workforce was handling 25 percent more flights. Meanwhile, the accident rate and the number of deaths in aviation accidents notably declined during the post-1981 period.

In addition to replacing more efficient private screeners with less efficient federal screeners, the TSA diverts scarce money away from funding bomb-detection equipment, and hinders the discovery of market-driven innovations that would improve airline safety.


- Thirty years ago, the international best-seller The Limits to Growth created a stir with its prediction that ecological catastrophes would soon engulf the world unless tough policies were adopted to stop overpopulation, natural-resource depletion, pollution, and related maladies.

Although some parts of the world subsequently have suffered from famine and pollution, global environmental apocalypse never materialized. (In fact, large scale problems have occurred only where private-property rights were weak or nonexistent.) In the past three decades, however, many countries in the developing world have fallen under the sway of environmental doomsday mongering and have witnessed economic decline.

Has the doomsday economic prophecy become self-fulfilling? Craig Marxsen (Univ. of Nebraska at Kearney) ponders this question in “Prophecy de Novo: The Nearly Self-Fulfilling Doomsday Forecast” (Winter, 2003).

Having reviewed numerous academic studies on the economic impact of environmental regulations and conducted a few of his own, Marxsen uncovers some startling findings: Environmental regulations reduced U.S. manufacturing productivity by 11.4 percent below what it could have been by 1986 and reduced output 22.35 percent below what it otherwise would have been in 1990. Consequently, real GDP, writes Marxsen, “probably could have been 20.65 percent higher than it actually was in 1990, ceteris paribus.” An influx of foreign capital and women into the workplace (continued on page 7)
A Poverty of Reason: New Book Questions “Sustainable Development”
(continued from page 1)

“Support for sustainable development is based on a confusion about its ethical implications and on a flagrant disregard of the relevant factual evidence,” writes Beckerman.

For starters, the doctrine holds that unfettered economic growth runs the risk of depleting the Earth’s natural resources, thus harming our long-term well-being. But Beckerman also claims it holds the moral high ground because it places great emphasis on ensuring intergenerational equity. But Beckerman poses a devastating question to the doctrine’s moral pretensions. What’s so moral about hampering economic development—a necessity of survival for many in the developing world—for the sake of (more fortunate) unborn generations?

Praise for A Poverty of Reason

“I have always been uneasy about the philosophical and scientific underpinnings of ‘sustainable development.’ With A POVERTY OF REASON, we now have an excellent book which carefully examines these concerns and which can be used to seriously debate the concept.”
— DONALD H. STEDMAN
Phillipson-Brainerd Professor of Chemistry, University of Denver

“In A POVERTY OF REASON, Wilfred Beckerman brings wisdom and wit to his examination of major themes found in today’s environmental policy. In his view, governments that seek to provide ‘greener pastures’ must emphasize economic growth and enhanced protection of human rights and liberty.”
— BRUCE YANDLE
Alumni Distinguished Professor of Economics, Clemson University

“The true prospects for economic growth over the course of this century are that future generations will be much richer than people alive today,” he writes. Conservative assumptions about future long-run rates of productivity growth and technological progress suggest that average world per capita (real) incomes at this century’s end will be about four times that of today.

The sustainable-development movement

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Coo-sponsored by Holy Names College, The Independent Institute will hold its 7th annual Summer Seminars in Political Economy for high school and college students at the Institute’s Conference Center in Oakland, Calif. The seminars—which are led by economist Brian Gothberg (Golden Gate University)—will be held June 16-20 and August 11-15.

Because economic literacy gives an invaluable edge in thinking clearly and critically about how the world works, the Seminars offer students an excellent, small-class, instruction/discussion program exploring free markets and free societies, including what fosters economic growth and how markets operate, as well as such topics as cyberspace, unemployment, trade, environment, homelessness, crime, education, etc. Holy Names College offers one hour of college course credit in economics, as well as affordable, optional, room and board accommodations on campus, overlooking the beautiful San Francisco Bay.

The Seminars run daily from 8:30 a.m. to noon. The fee is $175/person (includes books), room/board is available at $450/person, and for the college course enrollment, add $150/person.

For further information and to make reservations, visit http://www.independent.org/tii/students/SummerSeminar.html, or contact Ms. Nichelle Beardsley • Phone: 510-632-1366 ext. 118 • Fax: 510-568-6040 • Email: NBeardsley@independent.org.

The Independent Review
(continued from page 7)

Soviet “experiment” drummed home the lesson of the superiority of free markets and private property. Unfortunately, a quick perusal of the slogans offered by sundry politicians, academics and U.N-sanctioned non-governmental organizations suggests that rumors of the demise of collectivist planning are premature. See “My Time with Soviet Economics” by Paul Craig Roberts (The Independent Review, Fall 2002) http://www.independent.org/tii/content/pubs/review/tir72_roberts.html.

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