





Saving America With Socialism?

"Progressives" claim that the best proof that socialism would work in this country to fix our problems with welfare, healthcare, and more is that socialism is already working here.



"Feel the Bern" was the cry of endorsement for socialist Senator Bernie Sanders in the 2016 presidential race, a call heeded by more the two million people under the age of 30 who voted in Democratic caucuses and primaries for that election. Such was the outpouring of support for Sanders that the current crop of Democratic presidential contenders, with one notable exception, is fighting to see who can come up with the most all-encompassing government giveaways and the most extravagant promises of government problem-solving — from improving race relations, to solving inequality, to taking care of debt and poverty, to fixing the Earth's environment, and more. The one main exception, former Colorado governor John Hickenlooper, was booed at a California Democratic Party event when he said, "Socialism is not the answer."

Ironically, Bernie Sanders recently came under fire from his own campaign staff, as he once again runs for president, because, they said, he pays them starvation wages. The workers make about \$36,000 per year, which is about \$17 an hour if they work a standard 2,080-hour year (40-hour weeks), but they are working 60-hour weeks, so they are making about \$11 an hour. Since part of the Sanders campaign pledge is for a \$15 per hour federal minimum wage, the campaign workers demanded to be paid \$15 per hour. In response, Sanders cut the number of hours they work so that though their total wages won't go up, they will now be getting \$15 an hour. (Presumably this would help the campaign workers because they would have time in the day to get another job to pay their bills.)

Sanders, probably for the first time in his life, ran into economic reality: He had to decide how to spend his personal resources, and in the choice between socialist generosity and personal frugalness, socialism lost out. Note that Sanders is a multimillionaire who prior to being shockingly elected as a mayor of Burlington, Vermont, was constantly poverty-stricken because he never worked a steady job before that time, when he was nearly 40 years old — hence, his critics say, his lack of understanding about meeting a payroll and keeping the doors of a business open. Other Democrat candidates are accused of the same or of simply being narcissistic and power-hungry.

However, despite criticism of the Democratic candidates and their plans, liberals continue to jump on the socialist railroad. "Government protects the environment (air, water, and forests), builds and maintains roads and other infrastructure, provides monies and homes for the poor and elderly, provides public schooling and police and firefighting services, and more," say Democrats/progressives. "And,"





Published in the September 2, 2019 issue of the New American magazine. Vol. 35, No. 17

they claim, "the rest of our country's problems could be solved with socialism, too!" And they know this because, they say, not only is socialism working around the world, it's already working in the United States, too.

As evidence that socialism is working in the United States, they point to the fact that the air and water have gotten cleaner, increasing amounts of wildlands have been set aside, high percentages of kids are graduating from high schools, lots of people rely on welfare and would be sunk without it, etc.

But before even analyzing the truth of the assertions, astute Americans should at least suspect that something isn't kosher with the claims being made. After all, government always seems to be broke and begging for more tax money, or it is found trying to fix some type of catastrophe in the areas it has taken upon itself to control.

The list of government programs that are running short of cash are numerous. Here are just a few:

- The National Flood Insurance Program, a government program that is supposed to be self-supporting via insurance payments and that insures houses against floods through insurance companies, has had claims exceed payments since Hurricane Katrina in 2005. Congress had to bail it out to the tune of \$16 billion in 2017, and it now needs \$20.5 billion. Aggravating the problem, the government often pays repeat flood claims for the same properties, instead of having the homeowners move or accept their flood risks.
- The U.S. Postal Service, despite having a congressionally mandated monopoly on delivering first-class mail and *not having to pay taxes*, posted a loss in 2018 of \$3.9 billion its 12th straight year of losses. Postmaster General Megan Brennan told *Government Executive* that unless it changes how it does business, it would see continued losses at "an accelerating rate." In response to criticism of its losses, the USPS argues that it is handicapped in that it is required to put money into a fund each year to pay for future pension payments of its workers (rather than just hitting up the taxpayers in the future when it can't pay its retirement obligations), though other government agencies do not have the same requirement. (Note that American businesses routinely put money toward retirement plans each month it's considered a cost of doing business though few American companies have pension plans per se.)
- Social Security and Medicare have unfunded liabilities that will mean sky-high taxes in the near future or reduced benefits to beneficiaries. A report by marketwatch.com in 2018 entitled "The financial hole for Social Security and Medicare is even deeper than the experts say" highlights the findings of reports released by the Social Security and Medicare trustees: According to the trustees, by 2034, Social Security benefits will have to be reduced by 25 percent to keep spending within available revenue, or the payroll tax rate will have to go up from 12.4 percent to 15.2 percent. Similarly, by 2026, Medicare will not have a trust fund and "premiums paid by the beneficiaries will cover only about 25% of program costs; the rest of the spending is unfinanced. Income and corporate taxes fall far short of what is needed to cover these costs along with the rest of the government's obligations. Medicare's overall unfunded liability over 75 years is more than \$37 trillion." Both programs are unfunded to the tune of \$50 trillion. Worse, these numbers are optimistic because they assume large payment cuts to hospitals and doctors based on present law (cuts that are at once being overridden by Congress for doctors or already putting hospitals out of business, a trend that would continue if payment cuts continue).





Published in the September 2, 2019 issue of the New American magazine. Vol. 35, No. 17

• Then there's the public pension plan crisis. In 2018, Wharton University's Wharton Business Radio interviewed two professors who are pension and public policy experts, and a summary of the interview entitled "Public Pension Crisis: Who Will Cover the \$4 Trillion Shortfall?" opened saying,

Sanitation workers, firefighters, teachers and other state and local government employees have performed their duties in the public sector for decades with the understanding that their often lackluster salaries were propped up by excellent benefits, including an ironclad pension. But Moody's Investors Service recently estimated that public pensions are underfunded by \$4.4 trillion.

In other words, because state and local governments didn't invest enough money to pay for the promised pensions, either those workers will not get a pension or will get a reduced pension, or the federal government will have to bail the pensions out (and private-sector workers/taxpayers, who need to fund their own retirements, will be on the hook to pay for others' retirements). Chicago alone has more than \$62 billion worth of unfunded pension promises. But the federal government isn't in a position to help; it has its own pension problems. Way back in 1984, the U.S. military had already determined that it had \$529 billion in unfunded military retirement promises. Now it needs in excess of \$80 billion per year to try to get its retirement fund caught up. Meanwhile, the unfunded portion of another federal pension plan, the retirement plan for federal workers, is expected to hit \$834.8 billion in 2025, according to Investopedia.

The list of fiscally bleeding government programs could go on and on if the programs were compiled in their entirety. Despite the glaring inefficiency of government, indicating poor management or poor program design or both, socialists want more government control of society, especially controls on businesses — *because government control works*. Or does it?

Socialism and the Environment

According to socialists, though government may spend too much on most things (waste can theoretically always be cut back), government has had notable successes — especially as pertains to the environment.

Let's see if that's true — briefly covering land, air, and water.

Looking at *land management*, we find that the government is credited with saving endangered pristine old-growth forests — mainly through protecting them for the spotted owl — and setting aside huge tracts of land for wildlife through designation as national parks, national monuments, or national forests. While both claims are true after a fashion, "government protection" has been far from *protective*.

In fact, the reason old-growth forests were being cut down at a high rate in the first place was errant government policy itself: Because the federal government actually sold the old-growth wood — which should have fetched a premium price — for less than the cost of remediating and replanting the forests, it was logged at an unsustainable rate (often to be shipped overseas), with taxpayers picking up the losses. As reported in *Free Market Environmentalism for the Next Generation*, still "between 1998 and 2001 the USFS [United States Forest Service] lost \$0.46 for every \$1 spent on the timber program."

Now, since the federal government has moved mainly to a no-use policy for forests, it has taken an even more disastrous path: It has expanded its practice of putting out forest fires (along with ending logging), setting the forests up for massive, catastrophic wildfires. Alison Berry of the Property and





Published in the September 2, 2019 issue of the New American magazine. Vol. 35, No. 17

Environment Research Center explained how this happened. "For most of the 20th century, U.S. federal fire policy focused on suppressing all fires on national forests. The goal was to protect timber resources and rural communities, but this policy ignored the ecological importance of fire.... Fire returns nutrients to soils, encourages growth of older fire-resistant trees, and promotes establishment of seedlings."

Frequent small fires, which burn brush but don't reach the treetops, discourage forest-killing fires. Unfortunately, forests are now "choked with vegetation," Berry wrote. "If ignited, these forests erupt into conflagrations of much higher intensity than historic levels. Grass, shrubs, and saplings in the understory now form a fuel ladder, through which flames can climb to the forest canopy, killing entire forest strands," a new phenomenon entirely at odds with how nature works if left to itself.

This brings up *water management*: The new high-intensity fires, which burn most organic materials, commonly cause sediment to inundate streams (because water flows unimpeded downhill, carrying dirt with it), destroying fisheries and the salmon industry.

That's not the only way government has damaged waterways. Not only did government set up locks and dams on major rivers, changing water flows, it provides flood insurance to homeowners and communities through the National Flood Insurance Program so that they can build in floodplains, ruining highly productive wildlife habitat and causing increasing numbers of floods. Government also has promoted ethanol fuel derived from corn, a crop that if replanted yearly needs large amounts of fertilizer, fertilizer that has seeped into drinking water and caused a 5,800-mile dead zone in the Gulf of Mexico, deprived of oxygen.

Also, as Iain Murray noted in his book *The Really Inconvenient Truths: Seven Environmental Catastrophes Liberals Don't Want You to Know About — Because They Helped Cause Them*, after the era of industrialization had gone on for awhile, when many people and corporations became concerned about water pollution and tried suing the polluters to stop them from polluting, first local governments blocked the lawsuits, then state governments did (likely because they were bought off), based on state and local laws protecting the polluters.

As to *air management*, government mandates that require renewable energy (often meaning wind turbines) have been making the air dirtier, not cleaner. This is because, as of right now, wind turbines must be backed up by conventional power plants (largely coal and natural gas plants) for times when the wind slows or stops altogether. Since it often takes many hours to get conventional power plants running, to function as backups they are kept running at a rate great enough to take over for the wind turbines (much of the country is creating power with two systems at the same time, but only using one system at a time — wasteful!). This creates additional pollution not only through the energy-intensive production of the turbines themselves, but because electrical energy must be provided in the exact amount needed at the very time it is needed to avoid damage to electricity-transmission systems. The plants often must be moderated to follow the wind fluctuations, which causes the plants to burn additional fuel and release additional sulfur dioxide, nitrogen oxide, and mercury into the air.

And for those concerned about CO2 releases, because government raised taxes too high on forestland owned by paper companies, the paper companies sold off millions of acres of land — land that was then often converted to housing plots, driveways, roads, and more — so that there are many fewer trees to take up CO2.





Published in the September 2, 2019 issue of the New American magazine. Vol. 35, No. 17

The Government and Infrastructure

On a related front, government infrastructure policies have contributed to "natural" disasters, notably the near-destruction of New Orleans after the 2005 Hurricane Katrina, in which approximately 850,000 homes were either destroyed or severely damaged, along with the loss of nearly 2,000 lives and more than \$110 billion in costs. Bob Adelmann, in a July 2015 article in The New American, explained "How the Army Corps of Engineers Destroyed New Orleans."

First, the U.S. Army Corps of Engineers, which is responsible for protecting New Orleans from hurricanes, dug a canal called the Mississippi River Gulf Outlet so that ships didn't have to follow the meandering river to New Orleans to load and unload cargo (a canal that cut off a mere 37 miles from the original route, cost \$13 million *per year* in upkeep, and was used by only one or two ships per day on average — a small percentage of the cargo ships going to the city). This canal acted like a funnel transporting hurricane-blown waters straight into New Orleans, and the canal's construction destroyed 20,000 acres of wetlands that could have mitigated the storm's impact. Second, after Hurricane Betsy, which hit the Gulf Coast in 1965, the Corps was ordered to create a system of levees and canals to protect the city, a project that was supposed to take 13 years. When Hurricane Katrina hit, the flood system was still only partly done — and done poorly at that. Even the Corps' own "Performance Evaluation" was highly critical:

The System did not perform as a system; the hurricane protection in New Orleans and Southeast Louisiana was a system in name only....

The pumping stations [were] not designed to operate in major hurricane conditions. The system's performance was compromised by the incompleteness of the system, the inconsistency in levels of protection, and the lack of redundance....

[Failures] were caused by differences in the quality of materials used in the levees, differences in the conservativeness of floodwall designs, and variations in structure protection elevations.

The judge who adjudicated a lawsuit by 65,000 people who sued the Corps afterward gave a scorching review of the failures of the Corps of Engineers, and he didn't make the Corps pay off only because federal legislation protects the federal government from having to pay such lawsuits.

Similarly, the American Society of Civil Engineers (ASCE) rates our country's infrastructure every four years, and gave it a D+ in 2017. CNBC's *On the Money* reported that ASCE Executive Director Tom Smith said,

"We're looking at aviation, bridges, roads, transit, dams, levees, schools, parks, solid waste, drinking water, waste water," he told CNBC. "Unfortunately, 12 out of 16 categories are in the 'D' range, which is 'poor' or 'at-risk', which is really reflecting a lot of our infrastructure being at the end of its useful life."

Smith said the ASCE calculated a \$2 trillion dollar infrastructure funding gap between 2015 and 2025. He added that about half of that is for surface transportation, which includes transit, roads, bridges and rail.

Meanwhile the National Park System has a \$12 billion backlog of needed maintenance, even though it gets charitable donations via the National Park Foundation, the park service's official charitable





Published in the September 2, 2019 issue of the New American magazine. Vol. 35, No. 17

partner.

Government and Public Schools

As to school performance, the article "32 million American adults can't read: why literacy is the key to growth" said, "Approximately 32 million adults in the United States can't read, according to the U.S. Department of Education and the National Institute of Literacy. The Organisation for Economic Cooperation and Development found that 50 percent of U.S. adults can't read a book written at an eighthgrade level." Since a book at an eighth-grade level is not a difficult read, that means that 50 percent of American adults are either functionally illiterate or very close to being so.

With school curricula largely dictated at state and federal levels in a socialist model and schools having many years to get the programs working correctly, this shouldn't be the case. But it is. Notably, it is getting steadily worse.

As well, according to The Nation's Report Card for 2017, 27 percent of the nation's eighth-graders had *less* than a basic understanding of math.

And some of the highest-spending school districts perform the worst, with students in Detroit and Washington, D.C., doing abominably. Moreover, a recent federally funded study on the federal government's Common Core standards by the Center on Standards, Alignment, Instruction and Learning found that Common Core has had disastrous results. An article entitled "Study: Common Core Had 'Significant Negative Effect' on Students" reported:

Basically, if the Common Core scheme had never existed, students would have been much better off, according to researchers at the federally funded Center on Standards, Alignment, Instruction and Learning.

Results show that student performance declined in both reading and math as a result of Common Core, the researchers noted.

"Contrary to our expectation, we found that [Common Core] had significant negative effects on 4th graders' reading achievement during the 7 years after the adoption of the new standards," the study found.

... The controversial standards also "had a significant negative effect on 8th graders' math achievement 7 years after adoption based on analyses of [National Assessment of Educational Progress] composite scores," according to the analysis.

Researchers were surprised at how bad it was. Mengli Song, one of the authors of the study, noted that it is getting worse, too. "It's rather unexpected," Song explained. "The magnitude of the negative effects [of Common Core] tend[s] to increase over time. That's a little troubling."

When public schools are criticized, socialists often respond that students in countries with national standards have typically outscored Americans on tests. However, they skew the facts. The Heritage Foundation pointed out in its article "Why National Standards Won't Fix American Education: Misalignment of Power and Incentives":

While countries that outperform the United States on international tests have national standards, so do most of those countries that score lower than the U.S. In further defiance of the hypothetical rule, Canada handily outscores the United States on international exams but has no national standards.





Published in the September 2, 2019 issue of the New American magazine. Vol. 35, No. 17

Not surprisingly, U.S. homeschooled students, as a group, outperform public-school kids. There's more, but we'll finish by saying we notice that most successful public-school students have parents filling in their kids' learning gaps at home.

What's a Government to Do?

The aforementioned list of failing socialist federal programs, too, could go on and on, with programs such as Medicaid making it difficult for people in the program to find doctors who will see them. Legislative "fixes" for the needy also often cause far more harm than good, such as legislation requiring rent controls, price controls, minimum-wage laws, and more.

Yet socialists want more government control of our lives via a whole slew of new government programs. But not only would the desired government programs and legislation on the socialist wish list not aid Americans or the country as a whole, the country simply can't afford them. Taxing "the rich" even more than they are now (the top 10 percent of American earners already pays 69.47 percent of all income tax revenues) wouldn't come close to covering the new programs.

Socialist dreamers want income-transfer programs to pay off all college student loans, and pay for free college in the future; paid family leave; an increased minimum wage for those working; a minimum income for those who cannot — or will not — work; a complete revamping of the U.S. energy industry; open borders to the world's poor; and reparations for slavery. Yet according to year 2016 federal income tax data released by the IRS last year, taxing away fully half of all income of the top five percent of income earners in America (those with incomes of \$197,651 or greater) would net the country only an additional \$947.5 billion. Though in 2016 that might have erased the country's spending deficit for the year (which was \$587 billion that year), the deficit for 2019 is expected to be between \$900 billion and \$1 trillion (mainly because interest on the national debt is skyrocketing). All that new taxation would simply balance the budget — not pay for new socialist programs, and even that rate of taxation is likely unworkable: High-paid doctors would retire; businessmen around the country would close up shop (causing massive layoffs and lower tax revenues); and those business executives who are truly irreplaceable because of their background knowledge would demand higher pay, driving up the costs of goods and services, subsequently hurting the poor and elderly. Socialists are truly dreaming in Technicolor.

If we follow the advice of those who call themselves democratic socialists, such as Representative Alexandria Ocasio-Cortez (D-N.Y.), who says when asked about the costs of her plans, "You just pay for it," the country will have to print money at a rate sure to cause hyperinflation of our currency. This would devastate the lives of the great majority of Americans, as is happening in socialist Venezuela right now and has happened in socialist countries the world over. America is presently \$22 trillion in debt, paid over \$523 billion just on interest on the debt in 2018 according to the U.S. Treasury, and is on pace to soon see mandatory spending — including Social Security, Medicaid, Medicare, and other welfare programs — and interest on the debt eat up *all tax revenues*.

When listening to socialists talk about all of the new spending plans they have, you just have to remember one thing: Promises that are made without the money to pay for them are no promises at all.

Instead of more socialism, wouldn't the country be better off with less?

Photo credit: AP Images





Published in the September 2, 2019 issue of the New American magazine. Vol. 35, No. 17

This article originally appeared in The New American's September 2, 2019 special report on socialism.







Subscribe to the New American

Get exclusive digital access to the most informative, non-partisan truthful news source for patriotic Americans!

Discover a refreshing blend of time-honored values, principles and insightful perspectives within the pages of "The New American" magazine. Delve into a world where tradition is the foundation, and exploration knows no bounds.

From politics and finance to foreign affairs, environment, culture, and technology, we bring you an unparalleled array of topics that matter most.



Subscribe

What's Included?

24 Issues Per Year
Optional Print Edition
Digital Edition Access
Exclusive Subscriber Content
Audio provided for all articles
Unlimited access to past issues
Coming Soon! Ad FREE
60-Day money back guarantee!
Cancel anytime.