Top Story: Teachers’ Unions vs. Taxpayers

by Rob Roper

Governor Phil Scott proposed what should be an absolute no-brainer policy change that would save Vermont property taxpayers $26 million next year and more than $100 million over the next five years – all while holding teachers’ benefits and local school budgets harmless.

Scott’s idea is to create a statewide teacher contract for health insurance. This is only possible because the Affordable Care Act (Obamacare) requires that this November all teachers move out of their “Cadillac” plans and into a Vermont Health Connect plan. In other words, everybody’s contract is uniquely up for renegotiation at the same time. It is a one-time chance with a small window of opportunity.

Currently, health insurance benefits are negotiated locally and separately by scores of school boards. Under Scott’s proposal, all teachers would negotiate for healthcare benefits through the state. The School Boards Association is on board. The Superintendents Association is on board. Taxpayers should be ecstatic.

But the NEA is opposed. Why? Because they and their lawyers make a lot of money handling all of those local negotiations, and they don’t want that gravy train to end. And, the NEA spent $300,000 in the last election cycle, mostly on members of the majority party in the legislature, so, majority leadership is doing the NEA’s bidding and refusing to move forward.

Property taxes relief has been and is the biggest issue on Vermonter’s minds and wallets over the past two decades. A $100 million fix over five years is a lot of money, and the fact that these saving can be realized without causing harm to student programs or teacher benefits is miraculous.

There is some debate over what the money will be used for – tax relief, to fund pre-K programs, or teachers’ retirement. There is also some concern (or hope, depending upon one’s position) that this could lead to a general statewide teachers’ contract. These are valid issues to keep an eye on. But, while the legislature is still in session there is time
to get this done, and it should be done regardless of a powerful special interest group’s opposition and their bursting campaign war chest.

**Great Turn out for the Jefferson Day Dinner!**

Thanks to all who came out on April 20 to hear John McClaughry speak on Jefferson’s conflict with the Barbary Pirates, as well as enjoy some wonderful fellowship.

![Jefferson Day Dinner](image)

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**Commentary: Four New Bills to Levy a Carbon Tax**

*By John McClaughry*

Not so long ago – 2015 – the carbon tax was all the rage among such organizations as VPRIG, Vermont Natural Resources Council, Conservation Law Foundation, and Vermont Businesses for Social Responsibility.
Their argument was straightforward. Humankind’s penchant for making use of fossil fuels is (so they believe) inexorably driving the planet toward catastrophic warming by the end of this century. The hour is late! “The science is settled”! Anyone who harbors any doubt is an ignorant yahoo or a tool of the fossil fuel interests!

This must be stopped, and little Vermont must show the world The Way!

The Way, said the “Energy Independent Vermont” coalition, is for the legislature to levy a steadily increasing new “carbon pollution tax” on gasoline, diesel fuel, heating oil, propane and natural gas. This tax ($500 million a year in the tenth year) is designed to price those fuels out of the market for most Vermonters, so they’ll find some other way to drive to work and heat their homes – or move.

Ninety percent of the $2.75 billion to be collected in the first ten years of the carbon tax would subsidize people to pay the now-higher costs of the fuels, reducing the sales and use tax rate, and rebating funds to small businesses.

Ten percent of the proceeds would be skimmed off to support more government programs to weatherize homes and further subsidize renewable energy (notably the solar panel investment tax credit, due to phase out by 2022).

The coalition’s legislative vehicle for this tax attack on cheap energy was H.412. The 2016 House held hearings to allow the supporters of H.412 to make their case. VPRG sent 55 interns out to canvass the state to build support. The backers predicted that in 2017 (not an election year) the carbon tax would sweep to enactment.

This plan had rough sailing. The new Governor campaigned and won on a pledge to veto a carbon tax. Two sponsors of H.412 were unexpectedly unseated. A carbon tax referendum in Washington state failed 58-42.

So where is this year’s bill to levy a “carbon pollution tax”? Vanished without a trace.

In its place are four new House bills (with a lot fewer sponsors) to levy a carbon tax. Surprise! It’s no longer a “tax”! Now the tax has been disingenuously rechristened as a “fee”, because “tax” arouses primal instincts among the voters.

The coalition’s slogan is “tax cuts and climate action”. The four proposals, unlike last year’s H.412, are (supposedly) revenue neutral. That is, you’ll get a “tax cut” (if you’re lucky) to make up for being hammered with… a carbon “fee”.

Rep. Johanna Donovan (D-Burlington) would double the Earned Income Tax Credit, exempt smaller businesses from the corporate income tax, and reduce the lowest-bracket income tax rate for individuals. These “tax reforms” would be paid for with a carbon tax (H.528). She also added that the carbon tax revenue might be needed to cover reductions in Federal aid. Never mind that “revenue neutral” promise!

Rep. Sarah Copeland-Hanzas (D-Bradford) would drop the sales and use tax one percentage point a year for six years, to zero. That revenue loss ($396 million a year) would be replaced by a carbon tax.

Rep. Martin LaLonde (D-South Burlington) would replace the residential school property tax ($589 million a year) with a carbon tax.

Rep. Diana Gonzalez (P-Winooski) proposes to levy a carbon tax and pay all of the revenues out via quarterly dividend checks to individuals and businesses (H.531).

It’s pretty clear that the carbon tax backers are dangling one subsidy or tax reduction after another before the voters, then explaining that – no problem! - the state can recover the lost revenue by enacting a carbon “fee”.

Maybe we just ought to forget about taxing gasoline, diesel fuel, heating oil, propane and natural gas, and look for real tax reform that boosts our state’s economy.
Commentary: If Science Is the Standard…

By Rob Roper

Folks celebrated Earth Day this year with a “March for Science” around the nation. The marchers’ message is, ostensibly, that policy should be based on science and not things like emotion, morality, or politics. But is this really what they’re after? Or is this more of an attempt to legitimate their own emotions, morality, and politics by claiming for them the label of “science”?

It’s ironic that nationally and locally the science marchers’ most visible spokespeople, Bill Nye and Bill McKibben respectively, are not actually scientists (nor is Al Gore for that matter). McKibben is a journalist, and Nye got his big television break performing as a stand up comedian. Nye calling himself “the Science Guy” instead of “the Scientist” is kind of like the cereal Froot Loops using creative spelling to avoid a fraud lawsuit over the fact that there isn’t any real fruit in them.

But here is why I am most skeptical about the motives of the marchers: they are trying use “science” – the word, not the process -- as a way to end debate rather than to further it, and that’s not what science is about. Science is an ongoing process of open-minded experimentation and learning, not a mic drop slogan.

Real science doesn’t accept consensus; it challenges it. And great scientists obliterate consensus. A sign featured at one of the marches said, “Think You Can Stifle Science? Ask Galileo How That Worked Out!” This is a great example. Galileo went down in history for standing up to a scientific consensus at the time probably exceeded 97%. He was jailed for being an Earth-Centric Denier, and forced to recant his findings. Today, like the Inquisitors who persecuted Galileo, Nye very unscientifically called for criminalizing and jailing scientists who do work challenging the consensus on climate change.

What the marchers are really attempting to do is politicize and weaponize the word “science” so that they can use it a means to avoid debate and shut down their opposition without actually having to present facts or a cogent argument. This is the opposite of real science, and is actually dangerous to real science.

Science constantly questions assumptions and forces conventional wisdom to defend itself through a rigorous process of experimentation. As Einstein explained, “No amount of experimentation [science] can prove me right. But one experiment can prove me wrong.” I didn’t get the impression these marchers had any interest in allowing a process, scientific or otherwise, to question their assumptions about the world, let alone open themselves up to the possibility of being proven wrong.

Here in Vermont, for example, activists and some legislators are pushing hard to pass a carbon tax. They say we need to do this in order to save Vermont winters and the maple syrup industry from climate change. Anyone who disagrees with this carbon tax policy is a climate or science “denier.” End of debate! Drop microphone. Walk off stage.

But, if you genuinely believe science should be driving policy, you would demand to see the scientific data showing how Vermont’s passing a carbon tax and related energy
policies would impact local and global climate trends. You would demand to see scientific proof that these policies would impact weather in Vermont to a degree where winter snowfall levels and maple trees will remain as they are into the future. Without such data, you couldn’t support the policy because it’s not based on science.

Nobody’s asking to see the scientific data here because it would show pretty definitively that a carbon tax and Vermont going to 90% renewable energy sources by 2050 would have zero impact, would not affect winter or maple trees, and, scientifically speaking, it would show Vermont’s energy policy to be about as sound as ritually sacrificing a goat to the volcano god. They want to do it anyway. To heck with science.

Science is certainly a critically important tool for learning about ourselves and our universe, and it plays an enormous role in human progress. But, it is by nature a learning process, and let’s not forget it is often wrong.

A great article came out a couple of days before the March for Science titled “How Settled Science Caused a Massive Public Health Crisis” about sugar vs. fat. The scientist who forty-five years ago warned that sugar, not fat, was the real culprit behind obesity, heart disease, and diabetes was vilified, his career destroyed, for challenging the scientific consensus and public policy of the day.

Science claimed the victory for sugar. Really, it was politics that won. Lesson learned? It doesn’t appear so.

- Rob Roper is president of the Ethan Allen Institute. He lives in Stowe.

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**News & Views**

**Vermont (Again) Ranked One of the Worst for Business Taxes.** Vermont Business Magazine reports, “Vermont once again has one of the highest business tax burdens in the nation, according to new analysis by Anderson Economic Group. The study, which ranks states based on the portion of business income that goes toward taxes, found that 12.6 percent of Vermont businesses profits go toward taxes, placing the state at 48th out of 51 states including the District of Columbia. ([VBM, 4/18/17](#))

**When Low Employment Numbers Aren’t Good.** Vermont and our rural New England neighbors have some of the lowest unemployment rates in the nation. Great, right! Nope. The Wall Street Journal ran a piece attributing the low numbers to stagnant population growth that is leading to a shortage of workers that is driving away employers. They predict that if the trend is not reversed it will negatively impact the state’s bond rating. ([Wall Street Journal, 4/21/17](#))

**Efficiency Vermont’s Inefficient Effect on Electric Rates.** Art Woolf wrote excellent column in the Burlington Free Press on Vermont’s high electric rates. One of the many good points he makes is about Efficiency Vermont and its impact on what we pay. Efficiency Vermont is funded through a 7% tax (they like to call it a surcharge) on our electric bills. Without counting that tax as part of Vermonters’ electric rate Vermont has the 8th highest in the country at 17.84¢ and the lowest in the region except for Maine.
But when you do add the Efficiency Vermont tax to the cost – which we should because we pay it as part of the cost for electricity – we shoot up to 4th highest in the nation, and second highest in New England (thank God for Connecticut) at 19.24¢ per kilowatt hour.

**Retail Electricity Prices:** For 2015, Vermont had the seventh highest retail electricity price 14.41 cents/kwhr) in the nation. Eight of the top nine are New England, New York and New Jersey. (California is #5). It seems likely that the high cost of Vermont’s feed in tariff wind and solar PV is cancelling out our advantage of lower cost HydroQuebec power.

**Short Term Victory on Energy Policy.** S.51, enforcing 90% total renewable energy by 2050, will go no further this year. The Senate Natural Resources and Energy Committee does not plan to meet further this session. However, the committee Friday April 21 sent to the Senate floor H.424, to update Act 250, the state’s 50-year-old land use and environmental bill, which includes a requirement to include climate change action in any revision.

**Carbon Tax Nonsense.** This month legislators introduce four – count ‘em four! – different Carbon Tax bills. Rep. Joey Donovan (D-Burlington) introduced the bills at a press conference and said that two contradictory things that the VT press corps refused to call her on. She said that the bills were designed to be “revenue neutral,” meaning that other taxes would be reduced by the same amount that the new taxes would raise, but she also said that one reason for bills now was a potential revenue shortfall later in the year due to federal budget cuts. You can’t close a budget gap with a revenue neutral tax! Once that money spigot opens, Montpelier will spend it. It’s what they do.

**Independent Contractor Bill Stalled Again.** Last year an Independent Contractor bill that passed out of the House Commerce Committee 11-0 abruptly died when big labor interests said no. This year the bill won’t even get a vote in committee. This is incredibly disappointing as there are fewer more important initiatives (overall tax reform being one) for spurring job creation in Vermont. The frustration level is so high Rep. Paul Porrier (I-Barre) asked to be removed from the committee. The new bill may not be ready for prime time, but it should be.

**Why Gender Neutral Bathroom Bill Is a Big Deal.** The House passed a “Gender Neutral” bathroom bill (H.333) that would make it illegal for an establishment to offer its patrons the option of a single occupancy men’s or women’s room. All would have to be labeled “gender neutral.” Some legislators who voted for it said it was no big deal and not worth a fight. But it is a huge legislative overreach. Government has no business making this kind of decision. It’s just another niggling regulation business have to comply with. And remember, a government that has the authority to punish you for not labeling your bathrooms as gender neutral has the power to tell you you can’t. Not. Government’s. Business!

**Bernie’s Right!** “People have a right to give their two cents’ worth, give a speech, without fear of violence and intimidation…. To me, [silencing speakers] is a sign of intellectual weakness. If you can’t ask Ann Coulter in a polite way questions which expose the weakness of her arguments, if all you can do is boo, or shut her down, or
prevent her from coming, what does that tell the world?” said Sanders. Let’s see if his followers follow. (Huffington Post, 4/22/17)

If They’d Actually Listened To The Man. Charles Murray was violently chased off the stage at Middlebury because the students and some faculty thought he was too radical and conservative. But a couple of Cornell professors conducted an experiment, sending the text of Murray’s speech – without identifying Murray as eh author -- to 70 mostly liberal professors and asked them to rate the speech as liberal or conservative on a scale of 1-9. The results were a moderate average of 5.05. Maybe we should actually listen to each other before we judge. Or assault. (Charles Murray’s ‘Provocative’ Talk)

Be Safe People! WCAX reports “State records show the number of deaths on Vermont's roads through the first quarter of this year is at the highest point in five years. Between Jan. 1 and March 31, 16 people died as a result of 14 crashes, the most since 21 people died in 2012.” Reasons for this are an increase in impaired driving and a decrease in the use of seat belts. Records show that deaths on Vermont's roads have been increasing since 2014, when the state recorded a modern-era low of 44. In 2015 the figure rose to 57 and last year 64. (WCAX)

Bad News for VPIRG: “[Trump’s executive order] also dumps the “social cost of carbon,” which is a tool the Obama Administration employed to junk mandatory cost-benefit analyses for regulations. For example: An EPA power plant rule predicted net benefits from $26 billion to $46 billion, but as much as 65% of that derived from guesswork about the positives of reducing carbon… (WSJ editorial 3/29/17)

Partial Success. According to the Insurance Regulation Report Card conducted by the R. Street Institute, Vermont received the only A+ score in the country for insurance regulation, with underwriting freedom as a strength in the state’s model. Hooray for Vermont! Uhh… but the report excluded health insurance.

A Special Offer! When you purchase Meredith Angwin’s Campaigning for Clean Air this month, you will receive a free gift! You will receive a copy of her new e-book, An Advocate's Inspiration: Shared Brownies for the Nuclear Soul. This inspiring collection of stories and blog posts is not sold separately, but is only available if you purchase Campaigning for Clean Air this month. To obtain your gift, buy Campaigning for Clean Air and forward the Amazon purchase receipt to Meredith Angwin at mjangwin@gmail.com. In return, you will receive a copy of An Advocate's Inspiration.

Jefferson on Self-Government. "I know no safe depository of the ultimate powers of the society but the people themselves; and if we think them not enlightened enough to exercise their control with a wholesome discretion, the remedy is not to take it from them, but to inform their discretion by education. This is the true corrective of abuses of constitutional power." --Thomas Jefferson to William C. Jarvis, 1820.
Thirty-seven years ago, Kirkpatrick Sale set out to write a comprehensive compendium of the evils of things pushed far beyond their natural "scale," coupled with pungent arguments for why these baneful developments are destructively anti-human. The result, Human Scale, weighed in at a hefty-scaled 523 pages. The present work, Human Scale Revisited, is a slimmed down and updated reissue, adding a plethora of examples of things that Sale believes have run far beyond our ability to comprehend, cope, and pay for.

Sale is an independent journalist whose ideological proclivities are difficult to characterize. Depending on the passage, he can appear as a Bill McKibben environmentalist, a Peter Kropotkin anarchist, a Wendell Berry communitarian, an Albert Jay Nock libertarian, and, now and then, a crypto-authoritarian. His other volumes range from SDS, the definitive history of Students for a Democratic Society, to Rebels Against the Future, a defense of the Luddite anti-industrial movement in England. His most recent cause has been to put forth the case for secession ("harmony through division") as a way to protect human communities whose values are threatened by rampaging bigness.

The heart of Human Scale, then and now, is Sale's judgment that "to save our planet and its civilizations...we must work toward a decentralization of institutions, the devolution of power, and the dismantling of all large scale systems that have created or perpetuated the current crisis. In their place, smaller more controllable, more efficient, more sensitive, people-sized units, rooted in local environments and guided by local citizens. That is the human-scale alternative."

Sale builds his case on what he calls the Beanstalk Principle: "For every animal, object, institution, or system, there is an optimal limit beyond which it ought not to grow." He ransacks history and human experience for supportive examples, many of them compelling. Among the thinkers he favorably cites are Aristotle, Lewis Mumford, Arnold Toynbee, Alexis de Tocqueville, Robert Putnam, Thomas Jefferson, and Sale's mentor, the late Austrian economist Leopold Kohr.

Of particular interest is Sale's no-holds-barred attack on governments grown too big, too costly, too corrupt, too invasive, and too prytanogenic—a Sale-coined Greek neologism meaning "damage caused by the state."

"Guided by a liberal mania that government is able to solve all problems," he writes, "Washington's reach extends into virtually every nook of the society; where it does not control, it influences, where it does not dictate by virtue of law, it persuades by reason of power....Beyond a modest size a government cannot be expected to perform optimally, and the larger it gets the more likely it is that it will be increasingly inefficient, autocratic, wasteful, corrupt and harmful."

What is remarkable about this broadside is that Sale has been since college a man of the left. He has published in Mother Jones and The Nation (and also The American Conservative). But unlike the followers of, say, Bernie Sanders, to whom government in control is ever the solution, Sale is clear-eyed about what that would mean and wants no part of it.
Indeed, he is even moved to observe that "the ascendancy and triumph of Donald Trump in the 2016 election was only the most recent demonstration of the antipathy to government that runs deep in America beyond the reach of all the do-gooding boosters and the high-pressure media to alter or cure."

Big Socialism sucks, but Sale is equally scornful of Big Capitalism. As it has developed in practice, he argues, capitalism has put the advanced industrial societies into mortal peril through its roughshod exploitation and waste of resources, its "ecocide," its social burdens, its social irresponsibility, its instability, and its overgrowth. His alternative to global capitalism consists of human-scale economic units, self-definition of jobs, self-scheduling of time, small group work based on consensus and cooperation, and autarkic self-sufficiency. He praises family farms, communal agriculture, worker-run cooperatives, kibbutzim, and, in a final Luddite supernova, "abandoning as unnecessary and undesirable almost everything manufactured at the factory level anywhere and anyhow."

Not surprisingly for a lifelong partisan of the left, Sale has little to say about the evils produced by Big Labor. He does, however, keep faith with his thesis by quoting the economist Mancur Olson caustically criticizing union coercion. When describing a workplace self-management experiment at the Rushton coal mine in Pennsylvania, he seems saddened that the United Mine Workers killed it off for its own petty reasons.

Although he notes approvingly the merits of "telework" and "telemedicine" for the decentralist life, Sale provides little discussion of the role of the internet, social media, and other digital technologies (including currencies) that permit the interaction of people beyond normal face-to-face settings. Here the author's Luddite tendencies do not serve him well.

Possibly most troubling is Sale's unfamiliarity with science. He is relentlessly scornful of nuclear energy, which he associates with huge, dangerous, capital-consuming edifices kept afloat by subsidies. There is something to be said for that point of view, but there are already on the horizon new, modular-built, economical, proliferation-proof, waste-consuming, and walkaway-safe Generation IV nuclear plants—notably the liquid fluoride thorium reactor—which would have displaced the light-water dinosaurs 30 years ago had the dinosaur lobby not persuaded the federal government to stop them in their tracks.

Sale is also dead set against petroleum fracking, despite what most would see as its obvious economic benefits to society. His ultimate cure-all for the energy needs of a human-scale society is the sun. In 1980 he gave much space to solar thermal applications, since solar photoelectric was then far from cost-effective for most uses. Today his enthusiasm for solar has reached greater heights. Solar, he argues, is small-scale, decentralized, flexible, economical, safe, and communitarian, and the fuel is free. Sale naturally favors communal solar heating and microgrids with electricity storage. That obliquely recognizes that solar only works when the sun shines, but it leaves open the question of locally created electricity storage technology.

You have to wonder how a committed decentralist dedicated to small-unit self-sufficiency can view as the energy solution photovoltaic panels made of rare earth metals mined and processed in China, shipped across the Pacific, trucked to the local solar outlet, and controlled by electronic systems, a concept far beyond the imagination of even our mid-20th century forebears.

Finally, Sale's paean to the small, harmonious, face-to-face democratic community of friendship and shared values needs a hard look in light of too many small
Sale acknowledges witch burning and lynch mobbery as regrettable aberrations, but he argues that communal responsibility, a convergence of values, the pain of ostracism, and ultimately the "secession, migration and relocation" of the minority to start over somewhere else are useful correctives to repressive tendencies in the small communities of the future. Well, yes, this worked, more or less, for the Umayyads, Mormons, Puritans, Tuscarora, and Zionists, to name a few, but it does require finding an accessible destination more congenial than the place departed from.

What will deter these small communities from oppressing others? That's the central question in G.K. Chesterton's wonderful little novel The Napoleon of Notting Hill. His sad conclusion was: probably nothing. Perhaps the best answer was Kohr's: Conflicts between small principalities will always recur, but they won't do a lot of damage—certainly far less than conflicts between megastates and their war machines.

Sale's historical showcase is the little town of Lucca. For 800 years, "surviving ups and downs and feasts and famines, it was one of the most prosperous places on the entire Italian peninsula, not to mention the entire European continent." That came to an end with Napoleonic imperialism, but its experience produced "Lucca's Law": "Territories will be richer when small and self-sufficient than when large and dependent." The other historical models he invokes include New England and Swiss canton town meetings, Jefferson's proposed (but never activated) ward republics, tiny nations like Liechtenstein and San Marino, and the more exotic (but less convincing) examples provided by the Dinka, Basarwa, Tiv, and Lugbara.

Back in 1980 I hoped Human Scale might attract a segment of the left, drawing them away from socialism and sociopathy. I was disappointed. Although I continue to believe millions of Americans favor a human-scale future at least in principle, I see no evidence of a coherent movement.

But let's give Sale his credit. He has defined an organizing principle for a world he believes would be more conducive to human happiness, prosperity, and freedom, and he has marshaled every conceivable argument for why this posited world is better than a globalized empire of bigness. Sale says this book is not a blueprint. It may, however, inspire some people, somewhere, under some conditions, to seize upon its insights and use them to improve their lives.

- Review by John McClaughry, vice president of the Ethan Allen Institute

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**The Final Word**

**May Survey**

Should the legislature pass Gov. Scott’s proposal for a statewide teachers’ healthcare contract that could reduce property taxes by $26 million without impacting benefits or student programs?

Yes.
No.
Not Sure.
April Survey Results
Should the legislature enact a 0.93% payroll tax on employees to fund a "paid family leave" benefit?

No. 91.67% (55)
Yes. 8.33% (5)