

Ethan Allen Institute

Newsletter – January 2019 (Printer Edition)

Top Story

Rally to Protest the Vermont Carbon Tax

January 9, 9:00 am at the State House

Those opposed to a Carbon Tax on Vermonters, which would significantly raise the cost of vehicle and home heating fuels, will gather at the State House in Montpelier at 9:00 am, Wednesday, January 9th. Ethan Allen Institute president Rob Roper will be a featured speaker at this event.

The Carbon Tax promises to be a prominent issue in 2019 as proponents will expect the new Democrat/Progressive supermajorities to act on the proposal in the wake of their election victories.

Although Governor Phil Scott has been a staunch opponent of a Carbon Tax, and continues to say that he will veto one if it lands on his desk, on December 20th his administration announced that it was taking part in a year-long, nine state coalition to “combat greenhouse gas emissions caused by cars and other transportation uses.” Scott’s emissary to the Transportation and Climate Initiative, Peter Walke, said that a carbon tax is an unlikely outcome, and more likely is a cap and trade program for transportation fuels.

“Cap and trade” is a complicated, corruption-prone fig leaf for a carbon tax. The coalition will assign an arbitrary government cap on fossil fuel users. If they use more than the cap, they will have to buy funny money credits that the coalition has bestowed upon – wait for it – its participating governments! The cost of buying the funny money credits is passed on to consumers of the fossil fuel products – in transportation, mostly gasoline and diesel fuel users. They pay the Carbon TAX. Who gets the proceeds? The sellers of the credits, state governments that obtained the funny money credits for free! The governments spend the proceeds on more subsidies for the renewable industrial complex. Thank you, that’s a Carbon Tax.

So, now more than ever your participation is needed. To learn more about this event and to receive updates, go to the the Facebook page, [Anti-Carbon Tax Rally Vermont](#).

Time to Celebrate (and Save!) School Choice in Vermont

For the third consecutive year Vermonters will formally celebrate National School Choice Week with an awards ceremony and luncheon honoring our independent schools, teachers, parents, and most importantly, students. This show of support comes at a critical time when Act 46 and school district consolidation efforts threaten to undermine Vermont’s 150-year-old history of “tuitioning.”

Events will take place from 10:30 - 1 pm, Thursday January 24, 2019 and include a gathering of independent and home schoolers at the Vermont State House, a free luncheon, the prize ceremony, a group photo, meeting legislators and other independent/home schoolers, and a State House tour for those who are interested.

The prizes this year range from \$250 to \$1500 and will be reward innovation as a school, as a teacher, as a parent, and, most importantly, as a student. If you have or know a student, teacher, parent, or school that would like to participate and compete for the prizes, contact Asher Crispe (ashercrispe@gmail.com) or Brad Ferland (bferland@together.net) for more information. The deadline for submissions is January 21.

We encourage all who can to attend the events in Montpelier, but whether you can or cannot attend in person, please contact your local state legislators and tell them that you would appreciate their attendance as well. Unlike you, they're already in the building and have no excuse!

Please Support EAI in 2019!

Freedom isn't free, and neither is fighting for it! We could not do what we do without the generous support of hundreds of people like you. If you have already made a contribution to our 2019 campaign, thank you! If you haven't yet, please do so today.

The Ethan Allen Institute is a 501c3 educational organization. All donations are tax deductible and anonymous.

Ethan Allen Institute
P.O. Box 543
Montpelier, VT 05601

Commentary: A Sensible Agenda for Vermont Democrats

By John McClaughry

Vermont's Republican governor can no longer expect to have a veto sustained by one third of either body, at least on any issue of crucial importance to the political base of the Democratic/Prog legislative leadership.

What, then, would be the best possible outcome of the next two years? To some – like the Progs – the “best” outcome would be to pass dozens of liberal proposals, dare Gov. Scott to veto them, and if he takes the dare, override his veto and triumphantly enact them into law.

Not being partial to the Prog agenda, my version of “best” is an outcome that would preserve the state's solvency and bond rating, restrain spending growth, stimulate economic opportunity, deal responsibly with environmental issues, and improve the workings of state government. These are all things that Vermont's Democrats generally affirm, if the “cost containment” promoted by Governors Dean and Shumlin is interpreted as restraining spending growth.

The Democrats will assuredly re-pass the \$15 minimum wage and some form of paid parental leave, both of which Gov. Scott vetoed. Beyond those two measures

demanded by Democratic supporters, here are some other steps the leadership could take that would, I believe, win considerable approbation.

First, balance the budget without increasing the rates of broad based taxes. To Vermont's credit, both its Republicans and Democrats have been commendably supportive of balancing the budget, and have avoided income and sales tax rate increases since 2003.

Second, the 2018 Democratic platform declared that the Party "opposes fiscally irresponsible policies such as the underfunding of pension obligations". Reducing the shocking (\$4.5 billion!) unfunded liabilities of the two major retirement systems would strengthen the state's bond rating and improve the financial future of state employees and teachers, to whose unions their Party is heavily indebted.

Third, reexamine the All-Payer health care financing system set in motion after Gov. Shumlin's Green Mountain Care collapsed in 2014. Many liberals see All-Payer as a way station to eventual single payer enactment, but others are becoming increasingly concerned about the creation of a gigantic bureaucratic health machine (One Care), feebly regulated by the State, collecting \$900 million dollars to deliver high quality care ever mindful of government-imposed budget restrictions.

Even single payer enthusiasts like Hamilton Davis, Dr. Deb Richter, Dr. Bob Holland, and chief health care advocate Mike Fisher are voicing warnings about where all this is headed, as are numerous independent doctors and notably Senate President Tim Ashe. Since the regulation of OneCare is the duty of a board appointed by a Republican governor, the Democrats have little incentive to ignore its weaknesses and missteps.

Fourth, Democrats motivated by the urgent need to defeat the menace of climate change will want to make Vermont the first state in the nation to enact a carbon tax on gasoline, diesel fuel, natural gas, heating oil, and propane. Gov. Scott, though a member of the U.S. Climate Alliance, has nonetheless vowed to veto a carbon tax. The Democrats could pass a carbon tax bill and watch him use his veto to strengthen his approval ratings among thousands of Vermont homeowners, motorists, and businesses.

Pushing through a carbon tax would probably not be a good idea, especially for Democratic legislators from rural and small town Vermont. The Democrats could more wisely settle for unenforceable proclamations that "90% of all energy must be from renewables by 2050!" (or else what?), and perhaps a few modest steps like facilitating more charging stations for electric vehicles.

Fifth, the Democrats should forget that in 2014 they advocated replacing the residential school property tax with higher income tax rates. As happy as that replacement would make property tax payers, the consequences of the far higher income tax rates would be shattering to the economy.

Finally, the Democrats ought to revive their platform pledge of 2004 to conduct a "top-to-bottom 'performance review' of the functions of state government... to find creative, smart new ways to make government run more efficiently on the resources we have."

Since then there have been two worthless bipartisan efforts (Challenge for Change and GRORC). The Democrats would do well to emulate the Texas Performance Review created by then-Comptroller John Sharp, a Democrat who is now chancellor at Texas A&M.

In addition, the Democrats should continue bipartisan efforts to find workable policies to curb opioid abuse and to reduce phosphorus pollution in Lake Champlain. They should also restrain themselves from legislating more invasions of liberty, such as the fine for not buying health insurance, mandatory seatbelt penalties, and any of Gun Sense Vermont's proposed solutions to "gun violence".

A conscious effort to produce these outcomes, while burying some of the wilder ideas of the Prog-Sanderista faction, would likely well position Democratic legislators to appeal to voters again in 2020.

- John McClaughry is vice president of the Ethan Allen Institute

Commentary: Absentee Ballots Undermine the Secret Ballot – And Election Integrity

By Rob Roper

The North Carolina congressional race between Republican Mark Harris and Democrat Dan McCready could be heading for a re-vote because it appears absentee ballot fraud may have influenced the outcome.

Harris is ahead by around 900 votes, but the suspicion of fraud arose from fact that he received an improbably high percentage of absentee ballot votes from one district, while in another district where Republicans statistically shouldn't fare as well, a suspiciously high number of absentee ballots went unreturned. What this indicates is that in the former case absentee ballots were manufactured and/or manipulated, and in the latter case they were intercepted and destroyed. The courts will have to sort out these allegations.

Keep in mind the 9th Congressional District in North Carolina, with a population of 778,477, is larger than Vermont. There were 279,840 total votes cast in the tainted race. In Vermont, the total number of votes cast in our gubernatorial election was 272,972. So, this isn't just impacting minor elections in tiny, out of the way places.

Meanwhile in New Jersey, Lizaida Camis was recently charged with bribing citizens to vote for the candidates she worked for. [According to local reports](#), "Camis provided these voters with vote by mail applications, delivered the completed applications to the Hudson County Clerk's office, and then went to the voters' homes once the ballots were mailed to them. In some cases, she told them how to vote." She secured the deal by offering them \$50.

This is similar in style to an infamous [case of vote fraud in 2004 from Appalachia](#), Virginia, in which the mayor and over a dozen coconspirators bribed voters in a low-income housing project with alcohol, cigarettes, and even a bag of pork rinds to vote their way.

And this gets to a key point: the real victims of this sort of abuse are the poor and the vulnerable. You're not going to get many takers by flashing a bag of pork rinds or a pack of smokes around a middle class or high-income neighborhood. But, for someone dealing with mental health issues, or an addiction, or just struggling to make ends meet, fifty bucks or a Big Mac in exchange for a vote might seem like a pretty tempting offer.

If bribery doesn't work, there's always intimidation. In 2014, the Mayor of Martin, Kentucky, was convicted of, according to the [Department of Justice](#),

...intimidat[ing] poor and disabled citizens in order to gain their votes during Robinson's 2012 campaign for re-election. For instance, members of the conspiracy directed residents of public housing to vote by absentee ballot under the supervision of Thomasine Robinson or another member of the conspiracy.... Trial testimony established that the conspirators completed absentee ballots,

marking their choice of candidates, and instructing the voters to sign the pre-marked ballots.... Voters who did not comply faced eviction or the loss of priority for public housing.

This kind of fraud could not occur when absentee voting was rare and required a legitimate excuse, and ballots were cast almost entirely in a private, secure voting booth under the supervision of election officials. Advocates for voting “reforms” that lure citizens away from safe voting sites profess to be motivated by making it easier for people to vote – a noble goal – but what they are really doing is making it easier for people to cheat by undermining the secret ballot.

Some will scoff that this kind of fraud doesn’t happen often, and the honor system works. But to buy that argument, you have to believe that politics brings out the best in people, attracts the most honest and honorable actors, and that grown adults who are willing to steal lawn signs, vilify their opponents in the meanest ways, and engage in all manner of ugliness to win elections will somehow draw the line at bullying or bribing vulnerable absentee voters even as the rules make it easier and easier to do so. Please.

The voting booth ensures the integrity of our electoral system by guaranteeing the principles of the secret ballot (every vote is cast of the voter’s free will), and “one person, one vote” (we are all equal in this process) are real and in force. If our rules make it so that election officials cannot guarantee that our voting system secures these principles, how can we have faith in our electoral process? We should not let today’s policy salesmen tempt us into throwing these ideals away in exchange for a little extra convenience once every two or four years. That’s a lot like selling your vote for a bag of pork rinds.

- *Rob Roper is president of the Ethan Allen Institute.*

Events

January 9. Anti-Carbon Tax Rally at the State House, 9 am. EAI president Rob Roper will be a featured speaker at this event.

January 24. School Choice Week, 10:30 am to 1 pm, Montpelier. EAI president Rob Roper will be a featured speaker at this event.

January 26. EAI president Rob Roper will speak to Castleton Republican Committee,

News & Views

Act 250 History. The legislative Commission on the 50th anniversary of Act 250 has posted numerous documents under “public comment”. Included are five by EAI founder John McCloughry, who was a member of the House that enacted Act 250. Of special interest are The New Feudalism (Environmental Law Review, 1975), describing the enactment and first five years of Act 250, and Lessons for Growth Control Management (1987). All five can be found at <https://legislature.vermont.gov/committee/document/2018.1/333/Date/11-4-2018#documents-section>. The Commission's final report will be delivered in January.

Fiscal Policy Report Card. Each year the libertarian Cato Institute ranks the nation’s governors on their fiscal policies. Vermont’s Phil Scott was one of eleven governors to be rated “B”, after five rated “A”. All 16 were Republicans. The Governor of Montana was the top rated Democrat at “C”. The lowest “F” went to Gov. Jay Inslee, the climate change warrior and carbon tax enthusiast of Washington.

Burlington Mayor Calls for Carbon Tax! “We’re hurtling toward climate disaster! The planet can’t wait for action!” (WCAX 12/2/18). “Mayor Weinberger today announced his support for Vermont to lead the nation in the fight against climate change, and become the first state to pass a revenue-neutral Carbon Pollution Fee.... The Mayor made his announcement during the keynote session at VECAN’s 11th Annual Community Energy and Climate Action Conference, held in Fairlee, Vt.” ([Vermont Business Magazine, 21/1/18](#))

News from the Climate Conference. “As interest rates rise, renewable energy can’t compete without carbon pricing—economists’ magic bullet to solve global warming. Therein lies the biggest cause of despair at Katowice. Thanks to French President Emmanuel Macron’s carbon-tax folly, politicians of all stripes are likely to treat carbon pricing like the plague.” –Rupert Darwall WSJ 12/19/18

VT Legislature Is Destroying Childcare Businesses. “Vermont had 22,294 child care slots at regulated child care centers and homes in June — 1,693 fewer slots than were available in December 2015. The decline includes reductions in each age group: 254 fewer infant slots, 258 fewer toddler slots, 305 fewer pre-kindergarten slots, 876 fewer school-age slots. Overall, this represents a 7 percent decline in Vermont’s regulated child care capacity.” ([BFP, 11/29/18](#)) This is the result of draconian regulations on passed by the Vermont legislature designed to drive private, homebased providers out of business. The goal is to create a childcare access crisis, which will be “solved” by expanding the public school system to include birth to five – at massive cost to the taxpayers!

This Just in on ACOs. Vermont is proceeding to implement the Shumlin-Scott All Payer health care financing model based on a near-monopoly Accountable Care Organization (OneCare Vermont). The Health 202 Blog of the Washington Post (12/11/18) offered this observation: “At least in the Medicare program, ACOs have largely failed to reach their savings targets. Officials have pointed to findings by consulting firm Avalere that ACOs cost the [Medicare] agency \$384 million in their first four years.”

Johns Hopkins Study: Background Checks Don’t Reduce Gun Deaths. A joint study conducted by researchers at the Johns Hopkins Bloomberg School of Public Health and the University of California at Davis Violence Prevention Research Program found that California’s much-touted mandated background checks had no impact on gun deaths.... Researchers compared yearly gun suicide and homicide rates over the 10 years following implementation of California’s law with 32 control states that did not have such laws. They found “no change in the rates of either cause of death from firearms through 2000.” ([Intellectual Takeout, 12/6/18](#))

The High Cost of Heat Pumps. Engineer Willem Post calculated the savings from cold-climate heat pumps being aggressively promoted by state government. The Vermont

Department of Public Service surveyed 77 existing heat pump installations at 65 locations and found the average energy savings were \$200/heat pump/year, which had an installed cost of \$5000/heat pump, and might last up to 15 years. Amortizing the \$5000 at 5% over 15 years requires monthly payments totaling \$474/y. Heat pumps used in typical Vermont houses are money losers, because the annual amortization costs, maintenance contracts, and service calls of heat pump and back-up systems would much more than offset the insignificant energy cost savings. (12/15/18)

Sugar Tax Fail. “Multiple American states and five major countries — Denmark, France, Hungary, Mexico, and Chile — have experimented with taxes on soft drinks or sugar. [Not one of them](#) has seen a material impact on their rate of obesity, which [continues to climb](#) across the Western world. Soft drink consumption in France was [4.2 percent](#) higher in 2015 than it was right before its tax was introduced, a significant increase even when adjusted for changes in France’s population.” ([RealClearPolicy, 12/5/18](#))

End Electric Vehicle Subsidies. “Electric vehicle handouts subsidize the wealthiest Americans and, despite their being advertised as a more “climate-friendly” option, they produce next to no climate benefit for the planet.... Jonathan Lesser, an economist and the president of Continental Resources, calculated the reductions in greenhouse gas emissions from increased adoption of electric vehicles in a May 2018 [study](#) for the Manhattan Institute. Lesser [found](#) that “electric vehicles will reduce them, compared to new internal-combustion vehicles. But based on the [Energy Information Administration’s] projection of the number of new electric vehicles, the net reduction in carbon dioxide emissions between 2018 and 2050 would be only about one-half of 1 percent of total forecast U.S. energy-related carbon emissions. Such a small change will have no impact whatsoever on climate” ([Daily Signal, 12/3/18](#))

The FCC Repealed “Net Neutrality” a Year Ago. Did You Survive the Apocalypse? If you recall, the repeal was preceded by months of wailing, rending of garments, and gnashing of teeth by the Left. They warned that without government regulations treating this 21st century phenomenon like a 19th century telephone company it would cease to exist as we know it. Greedy corporations, which had never done so in an unregulated environment, would suddenly start to screw their customers by charging outrageous fees, etc. Flash forward. None of that happened. In fact, quite the opposite. [An excellent article](#) on this subject by the Foundation for Economic Education notes that in the year since net neutrality was repealed, “Uninhibited by government regulations, service providers have been free to expand their fiber optic networks, allowing for greater speed:...’The internet is getting faster, especially fixed broadband internet. Broadband download speeds in the U.S. rose 35.8 percent and upload speeds are up 22 percent from last year, according to internet speed-test company Ookla in its latest U.S. broadband report.”

Expert View on Scary Climate Report. “Silly season as RCP 8.5 strikes again. US NCA [Report] assumes ~15° F (~8° C !!) temperature change in 2100. Contrast IPCC AR5: ‘Warming above 4°C by [2081–2100](#) is unlikely in all RCPs (high confidence) except for RCP8.5, where it is about as likely as not (medium confidence)’”. Embarrassing.” – Climatologist Dr. Roger Pielke Jr. (U. of Colorado 12/1/18)

Fukushima Death Toll Rises. The nuclear-caused death total from the Fukushima

tsunami disaster of 2011 has just skyrocketed. A worker in his 50s who breathed radioactive air inside of a crippled reactor building seven years ago has died of lung cancer. This brings the total of nuclear-related deaths to... one. (TIME, 9/26/18)

Vermont Legislature on Supreme Court Infallibility. “Resolved, that the doctrine maintained by a majority of the judges of the Supreme Court, in the case of Dred Scott, that slavery now exists, by virtue of the Constitution of the United States, in all the territories, and in all places where the Federal government has jurisdiction – that the Constitution carries slavery wherever it extends – has no warrant in the Constitution, or in the legislative or judicial history of this country. Resolved, that these extra-judicial opinions of the Supreme Court of the United States are a dangerous usurpation of power, and have no binding authority upon Vermont, or the people of the United States.” (H.J.R 65, 1858)

Book of the Month

Hitmakers

The Science of Popularity in an Age of Distraction

By Derek Thompson

In *Hitmakers*, Derek Thompson infrequently touches on politics and policy, but its lessons can and should be applied to these topics both in terms of understanding and execution. The book is a fascinating explanation of how popular things became that way, from the French Impressionist painters of the late 1800s to Mickey Mouse in the mid 20th Century, to the Star Wars phenomenon, to today’s pop music and literary hits.

Regarding the consumer, Thompson focuses on examples of the human tension between wanting to experience something new while simultaneously having strong biases toward that which is familiar. Ideas that become popular hits tend to follow the MAYA rule: most advanced, yet acceptable. We like familiar stories dressed in different costumes. Star Wars, for example, was conceived as a traditional Western (the old and familiar) that takes place in space (the new and exciting).

My own Christmas anecdote along this theme came when explaining to my kids that *The Polar Express*, a movie which they love, and *A Christmas Carol*, a movie which they hate, are actually the same story. A protagonist who has lost the Christmas spirit enters a dream-state, which may or may not be real, in which a group of spiritual figures (the ghosts of Christmas Past, Present, and Future in the latter and the Conductor, the Hobo, and Santa Clause in the former) illuminate the holiday’s true meaning by allowing the protagonist to experience the importance of Christmas by witnessing how much it means to others. When the protagonist awakens, his Christmas spirit is restored. See, they are the same thing. I won the point, but still lost the argument over which movie to put one. I digress....

Perhaps Thompson’s most interesting insight is that nothing actually “goes viral” in the sense that popular ideas don’t really pass from one person to another the way a cold does. For something to go viral in the sense that we see something explode into the cultural mainstream, what it really requires is a massive broadcast network. These broadcast networks are evolving as technology evolves, but they are still necessary.

Whereas a 1970’s pop song required the cooperation of DJ’s across the country to play it often enough to make it familiar enough to millions of listeners to become a hit, a

song today needs something similar. Thompson’s example is of Justin Beiber “broadcasting” to his tens of millions of Twitter followers that he liked Carly Rae Jepsen’s song, *Call Me Maybe*, and doing a YouTube video of himself dancing to it. This propelled the song to the stratosphere. It wasn’t one person passing the song along to another, virally, it was one person broadcasting it to tens of millions through an existing channel of distribution.

And here is where these lessons can and should be applied to politics and policy. In order for an idea or a persona to enter the cultural mainstream and thrive, it must achieve familiarity through frequency, which it achieves through wide-reaching distribution channels. We can see how the left is working diligently to control these distribution channels throughout our society – entertainment, education, technology. Too often we on the right focus on “the message” when what we really need to be working on is building the infrastructure necessary to get the message out.

- *Reviewed by Rob Roper, president of the Ethan Allen Institute.*

The Final Word

The 2019 Legislative Session

Are you optimistic or pessimistic about the upcoming 2019 legislative session?

1. Optimistic. Things will get better for Vermonters as a result.
2. Pessimistic. Things will get worse for Vermonters as a result.
3. Meh. Nothing will change as a result.

[CLICK HERE](#) to make your voice heard