

The Ten Worst Public Policies of 2007

Selling Out Consumer Safety

1 As headlines about the recall of millions of children's toys coated with highly toxic lead paint dominated the newspapers this summer, many Americans wondered: isn't there some kind of government agency that's supposed to keep dangerous goods off store shelves in the first place? Enter the Consumer Products Safety Commission (CPSC), an anemic agency with a meager budget that pays for just 15 employees to inspect consumer product imports and one employee to inspect toys. Overall, the agency staff is just half what it was in the 1980s, when many fewer imported goods were on the market. Congress recently moved to remedy the problem, proposing to enlarge the CPSC's staff and budget, increase the maximum penalties for safety violations, and strengthen protections for industry whistle-blowers. Astonishingly, the Commission itself said thanks, but no thanks. Acting Chairwoman Nancy Nord, a former corporate lawyer who was appointed without congressional approval, insisted that she had not requested the staff and budget increases and that the bill was too tough on manufacturers. For undermining its own mission to improve consumer safety, the CPSC's sell out is one of the worst policies of 2007.

Assault on Gun Tracing

2 The National Rifle Association is again working feverishly to protect our right to privacy. Never mind warrantless wiretapping, Internet searches saved for all eternity, and cell phone tracking systems. The pressing privacy issue of the day is ensuring that gun trace data is kept out of the hands of safety officials who would use it to track down illegal gun dealers. Representative Todd Tiahrt (R-KS) is the NRA's mouthpiece in Congress on the issue; for years, he has sponsored amendments to limit city and state governments' capacity to gather the data needed to establish distribution patterns linking dealers to illegal guns. The Tiahrt amendment v.2007 goes even further by prohibiting the use of trace data in civil suits against gun dealers and manufacturers. This

newest legislation is a direct assault on the civil litigation strategy pioneered by the country's mayors which seeks to root out and prosecute the slimiest 1% of gun dealers who sell 57% of illegal guns. This year's Tiahrt amendment perpetuates the NRA's strategy of keeping federal gun enforcement ineffective, while staunching creative local innovations to limit gun violence. For a tragic misfire when it comes to keeping illegal guns off the streets, the Tiahrt amendment is one of the worst policies of 2007.

Bush Not Hip on SCHIP

3 What does President Bush have against sick children? In September, large bipartisan majorities in Congress passed legislation reauthorizing the State Child Health Insurance Program (SCHIP) and expanding it to provide health coverage to an additional 3.8 million low- and moderate-income kids. A joint state and federal program, SCHIP has been enormously successful in making sure that uninsured children have access to timely medical care—serving up to six million young Americans so far. Even the insurance industry was rooting for the measure to get passed. Nevertheless, the “compassionate conservative” president tanked the bill with a veto.



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Justifying the cold-hearted move with bogus rationalizations about middle-income kids abandoning private insurance for the government program, the President suggested leaving millions of children uninsured was not really such a big problem anyway: “After all, you just go to an emergency room.” For preventing millions of uninsured children from getting the health coverage they need, Mr. Bush’s policy of funding war over funding children’s health flat-lines as one of this year’s “worst.”

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Supreme Court Tomfoolery

4 Should the age-old adage “fool me once, shame on you, fool me twice, shame on me” apply to discriminatory employment practices? The Supreme Court thinks so. In *Ledbetter v. Goodyear*, the Court’s majority found that complaints of pay discrimination must be filed with the Equal Employment Opportunity Commission within 180 days of the first discriminatory act. The problem? Since workplaces frequently prohibit employees from even discussing how much they’re paid, many aren’t aware they’ve been discriminated against until it’s been going on for years. By that time, according to the Court, it is simply too late to complain. That’s what happened to Lilly Ledbetter, one of the few female supervisors at a Goodyear tire plant in Gadsden, Alabama, who proved to a jury that she had been paid hundreds of dollars a month less than her male counterparts for nearly 20 years. The

Court ruled that she had no recourse within the law because she failed to register her complaint within 180 days of her first paycheck. The Ledbetter decision will have a chilling effect on cases of pay discrimination and gives a green light to employers to “fool” their employees with incremental discrimination once, then twice, then again and again. For ignoring the realities of the workplace, the Ledbetter decision is one of the worst policies of the year.

Tricked on Trade?

5 Fair trade certainly wasn’t the only issue in the 2006 elections, but it played a major role in some of the key races that won the Democrats a congressional majority. So the news last May came as quite a surprise: behind closed doors, the Democratic leadership had negotiated with President Bush to pass a new NAFTA-style trade deal with Peru. To be fair, the deal contains some important advances over previous trade agreements, including measures requiring Peru to fulfill its obligations on environmental agreements, as well as new language on labor rights. But the deal also retains incentives for companies to outsource jobs and has troubling language that gives foreign investors special rights to challenge American laws—from local zoning decisions to environmentally-friendly procurement policies—in foreign courts. What’s more, in a time of increased concern about the safety of imported products, the deal raises alarm bells with its limits on U.S. inspections of food imports. Even the labor provisions may be less positive than they sound: Peru must agree to follow a set of labor rights principles, but is not bound to specific agreed-upon standards. As yet another unfair trade deal that meets only the lowest standard, the Peru agreement is one of 2007’s worst policies.

Government for Hire

6 What do Coast Guard cutters, border security, and dams in Louisiana have in common? Both by land and by sea, the federal government is contracting important public functions like these to private companies, a practice now valued at \$400 billion a year. What makes this redistribution of taxpayer dollars to large corporations—the 20 largest contractors receive 38% of procurement dollars—so insidious, though, is the waste, fraud, and failure associated with the projects. The value of non-competitive contracts has tripled since 2000 while government oversight of the contracting process has withered. These days we’re even contracting out oversight over the contractors! From the lawlessness of private military contractors in Iraq to the incompetence of security contractors caught sleeping while on guard at a nuclear power plant, the result is a proliferation of contracts for overpriced goods and services of indeterminable quality. The accelerated creation of an unaccountable “shadow government” working for private gain rather than the public good is one of the worst public policies of 2007.

Shredding the Welcome Mat

7 Most towns want people to move in; with new residents come vibrancy, tax revenue, small businesses, new customers and a workforce. But don’t tell that to Riverside, New Jersey, where the town’s anti-immigrant policies effectively hamstrung its main source of economic activity: immigrants. Earning the dubious distinction of being at the vanguard of a wave of local anti-immigrant ordinances,

Riverside, NJ's local law penalized landlords who rent to undocumented immigrants and employers who hire them. It's a prime example of vindictive, impractical, and short-sighted public policy on immigration. While instilling a sense of fear among the town's large immigrant population, the measure also succeeded in crippling the old factory town's economy, which had been revived by immigrant entrepreneurs and other small businesses that catered to Riverside's growing number of immigrant consumers. Though ultimately repealed in September 2007, Riverside's business district remains a ghost town. The town's scapegoating of immigrants to the peril of immigrant and native-born residents alike qualifies their policy as one of the worst of 2007.

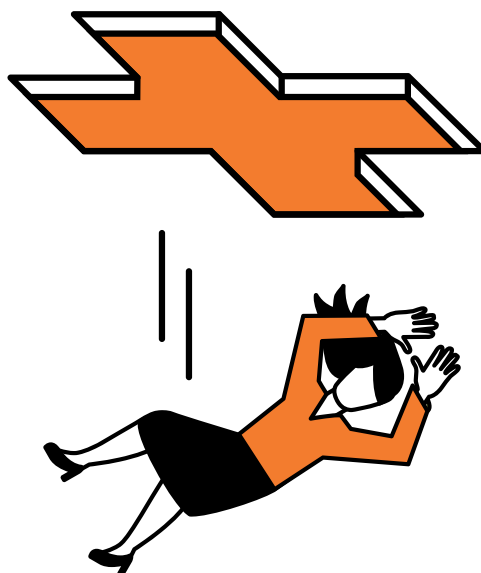
Fewer Choices, Fewer Voices

8 Viacom, CBS, General Electric, Disney, AOL Time Warner—and let's not forget Rupert Murdoch's News Corp. The list of corporations that dominate U.S. media is short. Even on the freewheeling Internet, a majority of Americans get their news from just a few sites. As fewer and fewer big companies own more media outlets, local news coverage declines and the diversity of voices and viewpoints is diminished. Yet, the FCC has decided to loosen regulations on media ownership and allow even more consolidation. The proposal itself is vague: in general the plan would allow a single company to own more radio and TV stations in one city while also controlling a daily newspaper (perhaps the only daily newspaper) in town. Although the details have not been announced, the FCC has held a series of poorly publicized public hearings and aims to have the new policy in place by the

end of 2007. With democracy itself dependent on an informed public making knowledgeable decisions, the stakes couldn't be higher. For failing to address media diversity and promoting an anti-democratic monopoly on information, this policy gets a spot in our lineup of worst policies.

One Sick Policy

9 There's no domestic problem that can't be solved by tax cuts. At least that seems to be the Bush Administration's position. So faced with growing public outcry over rising health insurance costs and the plight of 47 million Americans



without coverage, it's no surprise what President Bush proposed. The President's "standard deduction for health insurance," unveiled during the 2007 State of the Union Address, would provide a limited tax break to both employers and individuals who purchase health coverage. But the proposal would do little to help low-income Americans who are most likely to be uninsured—they already pay too little in taxes for a deduction to be meaningful. Worse, the plan would erode the already frayed system of employer-sponsored health insurance,

replacing it with a private market in which each family must fend for itself when it comes to finding coverage. The open market, however, contains no mechanism for pooling risk, meaning that healthy people could buy cheap insurance, but many sick people who need coverage most would be in worse shape than today. Luckily, Congress has shown little interest in this boondoggle. Our diagnosis: "fixing" health care with tax breaks is one of 2007's worst prescriptions.

Incredible Injustice

10 Will the Patriot Act ever cease to rear its ugly head? The 2006 reauthorization of the bill precipitated this year's biggest scandal by permitting the Justice Department to make indefinite interim appointments of U.S. attorneys without congressional oversight. With a sixth sense for political opportunism, the Attorney General's office sprung into action, using targeted firings to replace eight U.S. attorneys whose otherwise positive job reviews did not include being "loyal Bushies" or capitulating to pressure from the Beltway to initiate unethical, politically motivated prosecutions. An intractable Alberto Gonzalez initially refused to resign his post, despite evidence that the prosecutors had been contacted at home by prying U.S. senators, that the White House wanted to pad the resumes of Republicans by inserting them in the ousted attorneys' posts, and that most of the former prosecutors had been involved in investigations that ran counter to the administration's interests. Even if, at our own risk, we dismiss the scheming e-mails and conveniently timed firings as conspiratorial, the U.S. attorney scandal at the very least compromises the credibility of justice. For this, it is one of the worst policies of 2007.