

Center for American Progress



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AS PREPARED FOR DELIVERY

Thank you, Lou, for that introduction and thank you to the Speakers Trust for inviting me here today.

As a law professor in my own right, I have resisted the urge we all feel to use PowerPoint and lecture for two hours, as I'm sure you get enough of that in your classes.

Classes just resumed at Georgetown this week so I am getting back into the swing of things myself. This semester I'm teaching my usual spring course on "Congressional Investigations"—something I know a little bit about from having served in the Clinton White House. As I say to my students, I teach the class from the perspective of the tortured rather than the torturers.

Throughout my career I have had the pleasure of talking to and teaching a lot of students, some in law school and some looking to enter it. And there are two things I always tell them. I tell them that there are only two good things you can say about law school. First, it lasts only three years, not four. Second, even if you graduate, you don't have to become a lawyer.

I have to confess that I actually liked law school, but was bored out of my mind when it came to practicing law, and so I went into politics and government.

And today, that's what I want to talk to you about—government—what it has become, what it should be, and what progressives must do to make it work again for the American people.

The story of our government now is one written by radical right-wing ideologues.

It's a story we know well, because it's one they've been telling since William F. Buckley edited his first edition of the conservative magazine, *The National Review*.

In their story, only tax cuts for the wealthiest can create economic growth.

In their story, military might is the only way to legitimately exercise American power and keep our country safe.

In their story, our diversity, our differences as people are never celebrated but best used as a wedge to drive us apart and win elections.

In their story, government doesn't solve problems; it *is* the problem that plagues our people.

But recent events have stripped away the myths that make up their vision of government.

When Hurricane Katrina raged onto the shore of the Gulf Coast, it destroyed homes, livelihoods, communities and families. But it was only after the storm that we saw the real tragedy—that government built on these radical right-wing principles could not protect its people.

When disaster strikes, the best instincts and intentions of the American people come out, but it is not the job of students or ministers or the Salvation Army to build new levees, or operate wastewater treatment plants, or fly helicopters to rescue stranded families.

It is not the job of Wal-Mart or even Carnival Cruise Lines to house the homeless and feed the hungry.

That is the job of government.

But when your goal is to shrink government to a size small enough to drown in a bathtub—as the conservative prince of darkness Grover Norquist has said—its first victims will be those it abandons with no means to escape the rising water.

The Bush Administration's reaction to Katrina, unfortunately, was not just one disastrous aberration.

Just a few weeks ago, we saw more of the same with the Sago Mine disaster.

This is a mine that had repeated, serious safety violations that went without real penalty—that is, until 12 miners succumbed within the very earth on which their livelihoods depended.

And why, with repeated warnings, with repeated chances to improve safety, were those miners forced to pay the ultimate price? Perhaps because those in power at the Mine Safety and Health Administration—those who received the warnings—were officials who came directly from the executive ranks of the very industry they were charged with regulating.

This agency, created to protect the miners, was re-engineered to benefit the mining business, not the miners themselves, and now we see the result—and so do twelve grieving families and their neighbors who support them.

For the past 50 years, conservatives have told us that government is the problem, and for the past five years, George Bush has worked hard to make that claim a reality—giving us corrupt, exclusive, imploding, ignorant and just plain bad government.

So I give them grudging credit. They have told us government doesn't work and they have built a government that doesn't work. It doesn't work for displaced Gulf Coast residents, it doesn't work for the miners in West Virginia, it doesn't work for you, for me or for the most of the American people.

They have built a government that works only for themselves.

They have institutionalized a seamless network between lawmakers like Tom DeLay and the lobbyists who pay to keep them in power, who pay to play.

Living in a world where there was always a lobbyist to pick up the check, it's no wonder they did nothing about \$3-per-gallon gas, rising health care costs, declining real wages, or declining American competitiveness. Because they don't live in the same world as we do.

They live within their own world, where Brownie is doing a heck of a job, where government is a money-making machine...and where people like Jack Abramoff illustrate just how lucrative conservative government can be for those who have a hand in writing special interest favors into law.

But today is the day that I believe progressives must re-write the story of government and work to make it a reality.

Progressive government has a long history—a history rooted not in fiction but in action.

One hundred years ago, Americans lived in an era of anxiety and extremism, just as we do now.

Then, as now, we were faced with a massive economic transformation.

Then, as now, a concentrated group of corporations and the wealthy ruled vast swaths of the emergent American economy. The energy scandals of the day were not called Enron or Halliburton, but Teapot Dome and Sinclair Oil.

In this era, economic inequality grew, racial injustice went unchallenged and our legal system functioned as a protector of the status quo, as a hand to hold people down rather than lift them up.

But that changed.

Americans believed then, as Teddy Roosevelt did, that unchecked corporate power was creating a nation that offered “nothing better than swollen fortunes for the few and the triumph in both politics and business of a sordid and selfish materialism.”

Americans knew that they deserved better, but, even more, that government – open, progressive, efficient government – was the best way to make that happen.

It is that story, the progressive story, that is begging to be retold and that we are working to bring to life today.

It is a vision of a government that is committed to the common good...that creates an opportunity nation through education, decent work and fair pay...that reawakens our sense of shared and personal responsibility to build strong, healthy communities...that uses America’s awesome powers to bring the world together, not tear it apart.

It is a government whose most basic duty is to protect all of its citizens—this line I stole from our President, who uttered these very words in a speech last week.

But what the President fails to realize is that for government to protect its people, it must do more than establish a Department of Homeland Security—government must aggressively and effectively protect the general welfare.

We do face threats from terrorists abroad, but that cannot be the excuse to ignore the very real threats people face from sickness, poverty, inequality, and lack of opportunity

And yet these threats continue to go unanswered by our government today.

Americans should not have to face them alone. And as progressives we are committed to seeing that they don’t have to.

At the Center, our work promotes effective government by championing our values—opportunity, community, security—through practical policy proposals.

Soon the Center for American Progress will release its action agenda for America—*Progressive Priorities*. Each of the policy proposals contained in this book are rooted in our bedrock values while providing progressive policymakers with new thinking and new ways to make a difference in key areas.

Now, I would like to focus on five of those key areas—five areas where we can implement progressive reforms so our government can turn back these threats to the common good.

Those five areas are: strengthening our communities through access to health care, expanding opportunity through education and fair taxation, and enhancing our national security through energy independence and a revitalized all-volunteer Army.

The first of these proposals is strengthening our communities through access to health care.

Today 46 million Americans don't have health insurance, and because 46 million of our fellow Americans are struggling to access necessary care, we as a nation are getting sicker. Those who can afford access are getting less in return. Our country has a lower life expectancy than 34 other nations, near epidemics of preventable conditions, and an infant mortality rate that actually rose in 2002 for the first time in 40 years.

When we starve individuals of the chance to see a doctor, to get necessary and adequate care, our communities suffer—our country suffers.

The average total premium for an employer-based family plan was \$10,800 in 2005—exceeding the entire annual income of a full-time, minimum wage worker. The cost of employer benefits continues to grow much faster than workers' wages. Since 2000 the share paid by workers and their families has climbed by 60 percent. These costs are bankrupting our businesses and bankrupting families across the country.

Our government must recommit itself to giving our communities, our country a real chance to thrive and that begins by ensuring every American has access to affordable, quality health care.

To make health care affordable to all Americans, the Center for American Progress's plan makes insurance available to all citizens through employers, Medicare and Medicaid or a private pool system like the one used by federal workers and members of Congress. Small businesses and any other employers would also be able to join the purchasing pool to gain better, less costly care for their workers.

Medicaid would be expanded and simplified to cover the neediest among us. For those choosing private insurance, costs would be kept in check by refundable tax credits. Premiums would be guaranteed to never cost more than 5 percent of your income.

But at the Center, we realize that if we're going to make care affordable and accessible to all Americans, we must ensure that it is high-quality, high-value health care. There is much room for improvement. Today, many Americans experience preventable diseases that have a devastating impact on their health and quality of life. We currently focus on treating these diseases after they occur, rather than preventing disease in the first place and promoting wellness care that allows individuals to better manage their health. We also lack credible information, which means that patients frequently receive care that increases health spending without improving health outcomes. And the health care sector has not taken advantage of the information technology revolution—patients' records are stuffed in files with handwritten notes that hinder care-coordination amongst physicians and specialists.

Under our plan, we will improve the quality of care as well by providing community-based preventive services; establishing a new public-private partnership that will research the cost-effectiveness of various treatment options; and investing in modern information technology

systems that will help save lives by preventing medical errors while reducing administrative costs. By improving our technology we can get valuable information into the hands of patients and doctors, and help everyone take more responsibility for their health.

Achieving and sustaining affordable, valuable health care coverage for all requires increased responsibility from each of us and the nation as a whole. At the individual level, we call on each person to recognize the importance of maintaining health coverage. In exchange for the guarantees of affordability and access, we expect individuals to either sign up for health insurance or pay an annual, income-related contribution to maintaining the health care system. It will be a choice as to which option to take, but individuals who decide not to sign up for health insurance must contribute to the cost of care that they will inevitably use and will have their care reimbursed by Medicaid by default.

At the national level, we propose a broad-based mechanism to finance the investments needed in our health care system. We therefore dedicate a small value-added tax of 3 to 4 percent to cover the anticipated costs of providing affordable coverage for all Americans and improving the health care system.

The second proposal is enhancing opportunity through education.

Today, our education system is failing our children.

Too many of our children, especially poor and minority students, are failing to learn to read or write...they are failing to graduate from high school...they are failing to earn college degrees...and above all, they are failing to seize an opportunity. An opportunity I had and you as law students have—an opportunity to use education to realize their potential and realize their dreams.

And as progressives, we believe government must reform our public school system to provide opportunity for all.

America faces a newly globalized economy, rapidly changing demographics, and a lingering and dangerous achievement gap for minority and poor students that continues to sap America's strength by failing to give all our children the tools they require to become the highly skilled workforce and engaged citizenry our country needs.

When it comes to our public schools, progressives have a lot of ideas on how government can better train our teachers, pay for school improvements, and prevent our neediest children from slipping through the cracks. But the one thing that all the research tells us is that our students need more time in school.

I know extended learning time may not be a wildly popular idea among students—but hear me out.

The Center for American Progress convened its own task force of business leaders, education experts, and policymakers to study the problems of our education system and recommend ways to fix it. Headed by Governor Janet Napolitano of Arizona, the task force

found that, quite simply, our students don't start school early enough, they don't stay in school long enough, and the time they do spend in school is not structured to meet their needs.

Our children need to start school earlier and stay in school longer. To give our kids a head start at academic success, we need to expand pre-kindergarten programs, beginning with low-income and minority students, and paid for by a combination of federal, state, local, and private dollars.

We need to work towards reforms that include: a year round calendar with intersession breaks so students are less likely to forget what they have already learned and teachers can spend more time teaching new material rather than reviewing the old; an extra 30 days of school for low-performing districts so that they don't continue to fall behind; and an increase in Pell Grants to give every hardworking student a shot at continuing his or her studies past high school.

And if our kids are going to stay in school longer, we must make sure that the time they spend there is valuable. To do that, we need highly qualified teachers in every classroom. That means restructuring and upgrading preparation programs and on-the-job training opportunities for teachers and school leaders, and redesigning their compensation and career advancement systems to reward effective teachers and school leaders through fair performance measures. Holding our teachers accountable for educating our children is important, but real education reform is not just about tests; it is about real programs that address real problems so that our kids can succeed.

The third proposal is enhancing opportunity through fair taxation.

A tax system that rewards income from wealth, rather than work, flies in the face of our fundamental belief in fairness, our belief in opportunity for every hardworking American to earn financial stability and save for the future. But this is the very system we have today and the middle class is bearing the brunt of the burden.

This week, statistics have revealed that wages are not keeping pace with inflation—last year was the third year in a row in which real weekly wages fell—wages that 80 percent of the work force counts on to survive. At a time when the economy may be expanding, the middle class is inevitably being left behind. They are turning more and more to credit, just like our government, to try and make ends meet. And thanks to this Administration's tax policies we have seen the middle class fall further behind. By concentrating tax cuts on the wealthy, the President continues to ask an already strapped middle class to pay more than their fair share in taxes to make up the difference.

After five years of policies that have shifted more of the tax burden onto ordinary working Americans, it's time that they get a break.

Our nation must have a tax system that not only guarantees the financial integrity of the United States government, but one that protects the financial and moral integrity of hardworking American people.

And the first step to giving them those opportunities is to treat each source of income, whether from dividends, capital gains, wages or salaries, according to the same progressive rate structure. By shifting to a broad-based progressive tax on each source of income, we can start to restore balance, fairness and opportunity in the tax code.

With the Center's plan for progressive tax reform, approximately 70 percent of U.S. taxpayers will receive a tax reduction. For those earning under \$200,000 it will average about \$600. It will enhance the take home pay of lower-income Americans by reducing the marriage disincentive for the Earned Income Tax Credit while at the same time expanding eligibility for the Child Tax Credit. It will simplify the tax code by responsibly eliminating the Alternative Minimum Tax and ridding the tax code of loopholes that corporations currently exploit to avoid paying their fair share. And at a time when the federal government is floating on a sea of red ink, our plan will generate about \$500 billion more when compared to the current Administration's policy.

Our tax code must reflect the fact that we all benefit from our economy and we should all have to pay our fair share to keep it up.

The fourth proposal I want to talk to you about is enhancing our national security through energy independence.

America today is awash in foreign oil. To feed our addiction, we are spending more than \$400,000 a minute on oil imports from countries like Saudi Arabia and Iran. Relying on these countries for our energy puts our economic security at risk, forces us to prop up authoritarian regimes, and distorts our foreign policy.

Relying on fossil fuels for our energy also puts our environmental security at risk.

With only 4 percent of the world's population, the United States accounts for almost 25 percent of the world's carbon dioxide emissions. Global warming pollution has become one of our country's most prolific exports—and if we don't curb our combustion of fossil fuels, we will dramatically exacerbate the risks posed by global climate change—risks that carry catastrophic consequences for us all.

To protect our national security, it's time to wean ourselves from our oil addiction.

The first step to gaining our energy independence is to develop and invest in biofuels—fuels derived from plants that provide a cleaner alternative to oil. Biofuels can be produced from renewable resources that we produce right here in the U.S.

Ethanol, the most widely used biofuel, is already at work today in the transportation industry. Flex fuel vehicles—or vehicles that can run on 85 percent ethanol rather than gasoline—offer the opportunity to significantly reduce our oil consumption and our greenhouse gas emissions.

But to realize their potential, we need to invest in biofuels now. We need the auto companies to put more flex fuel vehicles on the road. We need to provide the fiscal tools that promote the construction of biorefineries. We need to provide financial incentives to make biofuels more available at more pumps across the country. We need to provide full funding for the research and development of biofuels from new bioenergy resources that remain untapped. And we need to invest in educating our public about the advantages offered by biofuels.

A great nation should not spend the next thirty years debating how to end our oil addiction—we must do something today.

Lastly, let me address how to enhance our national security by revitalizing the all-volunteer Army.

If government's first duty is to protect its citizens, then it must renew its commitment to the men and women charged with our protection—the men and women of the all-volunteer Army.

We have asked our Army to battle terrorism around the globe, protect Americans at home, and engage in peacekeeping, stabilization and nation building operations around the world.

We have called over 400,000 reservists to active duty since September 11th, sending many overseas for long tours without the training or equipment they need.

We have asked for that sacrifice while ignoring the growing needs of our ground forces in light of the new national security environment. Today, our army is overused, overextended and under-resourced. Ground forces are breaking under the strain and our ability to retain and recruit high quality people is becoming increasingly difficult.

Every four years the President is required to review the state of our national security environment in what is known as the Quadrennial Defense Review or QDR. This coming week, the Center will release its own QDR, making personnel our number one national security priority and calling for significant investment in the people of our armed forces.

We need more manpower—government needs to invest in increasing the size of the total Army by at least 86,000 troops.

Adding more troops will help us to treat the National Guard and Reserve as it is supposed to be treated—as a reserve, not an adjunct to the active force.

Adding these 86,000 people will allow us to double the size of the active duty Special Forces, add more military police, civil affairs experts, engineers and medical personnel, and utilize two division-sized peacekeeping or stabilizations units, trained to turn a battlefield victory into a post-war political victory. The size of the army should reflect the size of the security duties we expect them to perform.

These priorities I have put forward to you this afternoon—revitalizing the all-volunteer Army, achieving energy independence, expanding opportunity through education and fair taxation, and strengthening our communities through access to health care—are paths to a future that reflects our values.

In an 1809 letter to a group of Maryland Republicans, Thomas Jefferson wrote, “The care of human life and happiness, and not their destruction, is the first and only object of good government.”

What Jefferson realized is that good government cares for the general welfare...it protects us all from the threats posed by terrorists, pollution, poverty, sickness and lack of opportunity... it protects each of our paths to achieving the American Dream by providing us with the tools necessary to complete the journey.

This is the real role of American government.

And as progressives, it’s our responsibility to make sure government plays that role...to do the work necessary to make sure our vision of an open, honest, effective government can once again flourish.

Thank you.