



Whose Government Is This?

Special interests have taken over our government. They are throwing out public safeguards and writing their own rules. They are locking down information and scientific conclusions that might suggest government oversight. And they are securing backroom contracts devoid of normal accountability protections.

This takeover began during the 2000 presidential campaign with a substantial investment in the election of George W. Bush. Energy interests gave \$20.7 million; the health care industry kicked in \$15.1 million; agribusiness forked over \$14.6 million; and auto manufacturers and other transportation interests gave \$13.9 million.¹ All told, special interests contributed more than \$200 million to then Gov. Bush and the Republican National Committee.

Following the election, these large-scale donors were rewarded for their generosity with spots on the president's transition team, and charged with setting the agenda across government agencies. Many of the people representing these industries in the transition were themselves large-scale donors who had bundled more than \$100,000 in individual contributions, earning "Pioneer" status. The Department of Energy's transition team, for instance, included Pioneers Thomas Kuhn, president of the Edison Electric Institute, Anthony Alexander, president of FirstEnergy, and Ken Lay, former CEO of Enron.

From this privileged perch, special interests were able to push their friends for key agency positions. Jeffrey Holmstead, a lawyer for electric utilities, became EPA's air administrator; Steven Griles, a lobbyist for the oil industry, became the deputy secretary of Interior; Mark Rey, a timber industry lobbyist, became head of the Forest Service; and David Lauriski, a mine industry executive, became head of the Mine Safety and Health Administration.

Once in place, these special-interest allies literally opened the doors of government for business. In rolling back clean air standards, EPA adopted legal language provided by industry lawyers at Latham & Watkins, Holmstead's previous employer. Griles pushed to open public land to drilling that chiefly benefited his former clients. Rey did the same in lifting forest protections to allow new clear cutting. And Lauriski moved to roll back black lung and respiratory protections for miners.

Of course, these are just a few examples. Special interests have taken over our government from top to bottom, turning back years of progress on health, safety and the environment. That this puts the public and our natural resources at significant risk seems to be of little concern to the Bush administration. Rather, the administration appears to view government as an instrument to enrich its political allies.

This can be seen most directly in federal contracting and grantmaking. For Iraq reconstruction, the administration set aside secret no-bid contracts for politically well-connected companies, most notoriously Vice President Cheney's former employer, Halliburton. At the same time, it has thrown out contractor responsibility standards and adopted new rules to steer social-service grants to religious institutions and privatize the federal workforce, threatening to create a modern-day spoils system.

Naturally, the administration understands this service to special interests has potential political drawbacks, and has sought to mask its intentions and avoid public scrutiny. This has frequently manifested itself through rhetorical diversions. For instance, the rollback of power-plant emissions standards is called the "Clear Skies Initiative," while the plan to open public land to clear cutting is called the "Healthy Forests Initiative." However, far more serious has been the administration's willingness to withhold information from the public and doctor scientific conclusions.

A functioning democracy depends on the free flow of information, allowing the public to participate in government decisions and hold elected officials accountable. A government for special interests, on the other hand, requires the utmost secrecy, lest the public assert its interests. Following this model, the administration has broadly restricted public access to information that might expose irresponsible behavior by special interests, and suppressed scientific findings – on drinking-water contamination, the dangers of global warming, and the environmental consequences of drilling, just to name a few examples – that suggest a need for government intervention.

Not surprisingly, special interests intend to keep the government working for them, and are again doling out tens of millions in campaign cash. Oil, mining and timber interests want even greater access to our public lands. Auto manufacturers want to avoid new fuel efficiency measures and auto safety standards. Meat producers want to hold off stronger testing requirements. And corporate interests across the board want to remove the threat of government oversight and enforcement.

We are unlikely to know the full consequences of this special interest takeover for years to come. The SEC was neglected and underfunded through the 1990s before the recent eruption of corporate financial scandals (which have cheated investors out of billions). Corporations came to understand that they could get away with almost anything, and motivated by profits, progressively pushed fraudulent practices to the breaking point.

The same could happen with the environment, worker health and safety, and protection of our food supply, among other areas of concern. By removing corporate oversight, the Bush administration is inviting irresponsible behavior that could lead to catastrophic consequences.

What will happen to the nation's rivers and streams from no-holds-barred dumping of mining waste? What lies ahead if we continue to turn a blind eye to global warming? How many workers will suffer debilitating injuries from preventable ergonomic hazards? How many people will die from outbreaks of foodborne disease as a result of inadequate meat inspection?

If we continue on our present course, we will eventually see these questions answered. A government that acts on behalf of the public, on the other hand, would set standards to head off these dangers and exercise oversight to ensure compliance.

This report is part of an effort to reclaim our government from the special interests. The first step is to understand the sweeping, all-encompassing nature of what is happening. The next step is to come together to make our voices heard. Citizens for Sensible Safeguards is a broad coalition of public interest organizations representing a diversity of concerns, including the environment, food safety, consumer protection and American workers.

This coalition formed in 1995 in response to Newt Gingrich's Contract with America, and against all odds, repeatedly stopped regulatory "reform" legislation that sought to block new public and environmental safeguards. We beat back the special interests then, and together we can do it again.

For information on how you can get involved, see the Citizens for Sensible Safeguards web site at www.sensiblesafeguards.org.