



FACTS & OPINIONS

On Public Interest Issues

Quotes

“Science is more than a body of knowledge, it’s a way of thinking...If we are not able to ask skeptical questions, to interrogate those that tell us that something is true, to be skeptical of those in authority, then we’re up for grabs for the next charlatan, political or religious, who comes ambling along.”

— Carl Sagan (1934-1996),
American Scientist

“The creation of new official positions, the unnecessary multiplication of office holders, the increasing of the peoples’ taxes to meet the wants and the demands of the tax-eaters, are all matters which the people’s representatives in the legislature need to guard against....Our decay and our destruction, if they ever come, will come from within ourselves, from our own wickedness and corruption.”

— Samuel McNutt (1882-1911),
Iowa State Senator,
R-Muscatine

What Should One Expect at College? By Deborah D. Thornton

Similar to the Frank Capra comedy-drama which made Jimmy Stewart famous, *Mr. Smith Goes to Washington*, the new book by David Stag, *Bill Smith Goes to College*, contains angst, drama, and humor. Stag’s message is timely as hundreds of high school seniors throughout Iowa prepare to finish high school and make their college selections – including our son. What should we, both parents and student, expect at college? You might find it surprising!

Our ingénue, Bill, is in fact from a small town in Iowa. His parents have saved their whole lives to provide him with the opportunity to do more – achieve more – than they have. They want him to have the “best” education. But, Bill finds out that education isn’t really what goes on at Mountebank University.

Among other things, what goes on is co-ed bathrooms. Girls and boys use the same

bathroom, at the same time, even showering. As fiction mirrors reality, some colleges in Iowa actually do have co-ed bathrooms. And students at Dartmouth College in New Hampshire just held a three-day sit-in at their President’s office, petitioning for, among other things, co-ed bathrooms. Who in their right mind would ever want co-ed bathrooms? At the same time, there is ever greater focus, both at fictional Mountebank and in reality, on alleged sexual harassment and misconduct by our young men.

Bill finds this all very confusing as he wasn’t brought up this way. He resorts to showering in the middle of the night to avoid bathing with girls. This, along with being assigned to a dorm room which isn’t really a room, but part of the lounge and kitchen, is the first of many strange happenings. In one exchange Bill’s protector, Clyde, tells him, “Look around you. This is the real world. Or

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Deborah D. Thornton, Editor

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maybe it's not." Clyde then adds, "It's not you. It's them."

When he starts classes Bill finds he's not taking classes in engineering, his major, but instead is registered for a strange variety of random subjects, in which the professors don't even teach the assigned subject. There are no answers to straightforward questions and long lines for every administrative request though lots of administrators.

Worried about the cost of college and wondering if this is actually what he should be spending his parents' hard-earned money on, an international student Bill has befriended asks him why they're paying cash for tuition, then elaborates "'That's not the right way to do it,' said Sunir. 'We learned this last year. You must borrow the money, I am sure of that. There was no talk of this saving you speak of. When you need the money, you borrow it. When you borrow it, you promise to pay it back. Then you wait for them to tell you that you don't have to pay it back. This is quite exciting. If you just wait long enough, they will say it is no longer necessary to pay the money back. It makes it much easier that way. It's a very good system.'"

As my family tries to settle on where our son attends college and how we're going to pay for it, Sunir's advice may (unfortunately) be useful!

Bill eventually finds out that he can't even flunk out – the system won't let him – but he must conform to pass. Bill finds it difficult to do this, to just go along to get along, and tries to address the corruption with his professors, with little success at first.

For fun he attends a college

football game, ending in disaster as the students riot and destroy campus buses – an event which is traditional and planned for by the administration. "The good thing about football is that you can just sit back and enjoy the violence, even if you don't know what's going on."

Clyde rescues him after the football game in a very funny experience on a motor scooter, and as part of his mentoring keeps telling Bill that everyone will have to pass a test at some point that determines what type of person they will be when they grow up. The test finally happens after Bill discovers the truth of the situation, and as all heroes should, wins the girl.

The topics parodied in the book are relevant today, including campus free speech, degree content, graduation time, housing arrangements, and student loan debt. I recommend all college-bound students, and their parents, read it.

Additionally, *Bill Smith Goes to College* could be made into an excellent satire comedy movie, along the lines of *Blazing Saddles* – if the administrators of the real colleges and universities being parodied will allow it! Not a role for Jimmy Stewart; but Jack Black as "Clyde" and an Adam Sandler-type actor as "Bill" could be quite funny. Not only would it be funny, but it might open some parents' eyes about what is really going on when their children go away to college.

Bill Smith Goes to College, by David Stag, 2012, available at <http://www.amazon.com>. David Stag is a retired Engineer who holds several patents. He currently lives in North Carolina.

Increased Federal Aid to Iowa (and All States) is a Long-Term Trend

By Bob Williams and Joe Luppino-Esposito, State Budget Solutions

States receiving money from the federal government is unsurprising, but what is shocking is the states' increased reliance on money from Washington, D.C., in the past decade. State Budget Solutions' analysis of the latest data shows that, between 2001 and 2012, the percentage of general revenue dollars coming from the federal government increased in 41 states.

In all, states received \$5.27 trillion from the federal government since the start of the 21st century. Since 2001, 34 states saw over 30 percent of all their collected general revenue come from the federal government.

The "stimulus bill" created a federal funding spike from 2009-2011, but the long-term trend of increased dependency on the federal government did not subside following the recession. This overall increase comes despite a change in the data by the United States Census Bureau that results in a lower, though more accurate, determination of how much federal revenue is given to states each year.

A state's traditional political affiliation does not appear to impact response to the promise

of funds from D.C. Both typically "red" and "blue" states have increased levels of support that are higher than a decade ago.

California accepted the most federal revenue over the period — \$639 billion, though the state also had the highest total general revenue. In terms of percent of general fund revenue, Mississippi was the only state to have more than half of its revenue come from the federal government. The state surpassed the 50 percent mark in both 2007 and 2010.

Growing reliance on federal funding in state budgets is a dangerous trend. It threatens the financial stability of all 50 states, as well as the federal government. As federal debt skyrockets, Congress must look for ways to reduce spending. In the many states that count on the federal government for over one-third of their general revenue, every congressional spending reduction proposal puts the state at risk of a serious financial shortfall.

States must recognize that this funding arrangement also harms fiscal federalism. Federal funding usually comes with strings attached, and that means

less chance for local control.

When states cannot stand firmly on their own financial footing, they will lose the ability to make the best, locally based, independent decisions for their residents.

States need to act as independent and sovereign entities, which they are under the U.S. Constitution. In order to prepare for the next federal budget crisis, officials need to identify all the federal funds coming into their state and the cost of the mandates attached to the funding. States need to take a risk assessment similar to that done by the state of Utah, and each state legislature can and should develop a prioritized plan of action to act responsibly for their constituents.

The following table shows the State of Iowa, and how the amount of federal aid has increased from 28 percent in FY 2001 to over 33 percent in FY 2012, ranking 25th highest nationally.

Reprinted with the authors' permission, March 26, 2014, <<http://www.statebudgetsolutions.org/publications/detail/increased-federal-aid-to-states-is-a-long-term-trend#ixzz2xCAyfUwu>>. Bob Williams is President of State Budget Solutions. Joe Luppino-Esposito is Editor for State Budget Solutions.

Federal Aid to the State of Iowa, FY 2001 - FY 2012

	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	2001-2012 Average
Iowa	28.0%	31.3%	31.9%	33.9%	32.8%	32.0%	31.0%	30.8%	34.9%	39.1%	38.6%	33.3%	33.1%

Source: State Budget Solutions analysis of Annual Survey of State Government Finances, U.S. Census Bureau

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The Greatest Anti-Poverty Program the World Has Ever Known

By John Goodman, President and CEO
Center for National Policy Analysis

Economic growth is a miracle cure.

For the last 50 years real income per person in the United States has been growing at a rate of about 2.3 percent per year. Although that may not sound like such a big deal, that small increase adds up year after year. So much so that real incomes will actually double every 31 years. If we think of the average year for child birth as being close to age 31, then income will double for every generation.

Let's assume you are in an average income family earning about \$50,000 a year. If your children also earn an average income, by the time they grow up and reach your age they will be earning \$100,000 a year — and that's in current dollars. If your grandchildren follow the same trajectory, by the time they reach your age they will be earning \$200,000. That's what Barack Obama calls rich. Your great grandchildren will earn \$400,000 — which is enough to put them in the top 1 percent of the income distribution, were they alive today!

Provided our descendants don't do dumb things and stop this miracle from continuing to

produce its bounty, the future just gets better and better. As Stephen Landsberg, professor of Economics at Rochester University has noted:

“...[I]f that 2.3 percent growth rate continues, then in fewer than four hundred years, your descendants will earn about \$1 million per day — a little less than Bill Gates's current income, but at least in the ballpark. I want to make clear that these are not some future inflation-ravaged dollars we're talking about; they're the equivalent of a million of today's dollars.”

What about poverty? If we roughly define the poverty level as a family with 50 percent of the average income, then the poverty level for the great-grandchildren of today's poor will be \$200,000. In other words, if tomorrow's poor have a poverty level income they will be rich. And, of course, 400 years from now they will be fabulously wealthy.

Now here is something that may surprise you: The economic growth that you and I take for granted is in fact very rare. For almost all of the history of human existence, there was no growth at all.

Landsberg puts the beginning of the modern human race at about 100,000 years ago. If so, then for 99,800 of those years all of mankind was living at the subsistence level. People in the Middle Ages were living no better than people at the time of Ancient Rome. And people in Roman times were living no better than people were living 10,000 years earlier — before the agriculture revolution.

Civilizations rose and fell; there were wars, technological innovations, and even international trade.

Yet through it all the average person lived on a little better than the equivalent of \$1 a day for almost all of human history. If they were lucky, they might have had \$2 a day. And if they were really lucky, they might have had as much as \$3 a day. But that's about it — unless you were a king or a queen, and even they didn't have much by modern standards.

Landsberg writes: “Then, in the late eighteenth century — just a couple of hundred years ago, maybe ten generations — something happened. People started getting richer. And richer and richer still. Per

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capita income, at least in the West, began to grow at the unprecedented rate of about three-quarters of a percent per year. A couple of decades later, the same thing was happening around the world. After thousands of years of stagnation, life started improving from one year to the next, and before long people started taking improvements for granted. Today we expect our cars, our computers, our medicines, and our entertainment systems to keep dazzling us with something new. But that's not how it was before the Industrial Revolution. That three-quarter of a percent annual growth rate, once it got under way, must have seemed miraculous."

Landsberg continues, "But then it got better. By the twentieth century, per capita real incomes — that is, incomes adjusted for inflation — were growing by 1.5 percent per year, on average, and since 1960 — for almost fifty years now — they've been growing by about 2.3 percent."

Unfortunately, economic growth has not reached everyone. There are about one billion people in the world today who are still living on \$1 a day. Another one billion live on \$2 a day. Roughly one-third of all the people on the planet right now are living no better than their

ancestors lived for millennia.

Now here is another surprise. Given what we know, you would think that economists, politicians, and almost everybody in the public policy community would be spending every waking minute thinking about:

What causes growth?
What makes growth rates higher rather than lower? What can we do to encourage growth and make sure it continues?

In fact, politicians rarely mention the subject, nor does the public policy community. As for economists, interest in economic growth has been anemic. True, Adam Smith wrote an entire book on *An Inquiry Into the Nature and Cause of the Wealth of Nations*. But while he had much to say about the value of free markets and the cost of unwise regulation, he never gave a satisfactory explanation of the puzzle of why some nations grow and others do not. Nor really has anyone else.

For my money, I think that culture has a lot to do with it. But that of course is considered an abominable idea on most colleges.

What little economists do know about growth has been summarized by John Hood, president of the John Locke Foundation, who has reviewed 528 economic studies, published

from 1992 to 2013. Of these, 112 of the academic studies focused on state and local taxes: Only two of these studies found a link between higher tax burdens and stronger growth.

Seventy-two of them, on the other hand, showed that taxes negatively impacted economic growth.

The evidence also indicated that states do not invest effectively and that regulations harm the economy.

While education outcomes appeared to be correlated with economic growth, education expenditures did not. Of 79 studies on the subject, only 30 found a positive relationship between spending and growth in education, while 34 had mixed or insignificant results and 15 had negative results (due to the offset in growth from the additional taxes).

A study that looked at the growth of major state government programs — from public safety to education to housing subsidies and health care — found that raising taxes to fund that additional spending almost always hurts economic growth. But slowing that spending and reducing tax rates, the study found, leads to higher investment and employment.

Of 123 articles on regulatory policy, there was a positive economic effect from less

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Focus on Iowa Wesleyan College

Dr. Steven E. Titus was inaugurated as twenty-ninth President of Iowa Wesleyan College (IWC) on April 4. President Titus said, “As president, my work is to enhance our collective capacity to create what matters most at Iowa Wesleyan: student learning and achievement and excellent academic programs.”

Other events included the Belle Babb Mansfield Inaugural Forum, a panel discussion on traditional and non-traditional uses of legal education. The Inaugural Symposium speaker was IWC Honorary Trustee Christie Vilsack.

Previously, Dr. Titus was Senior Vice President of University Advancement at Saint Mary’s University in Winona, Minnesota, where he served as the chief development, alumni, and external relations officer.

He served as President of Midland Lutheran College in Nebraska, from 2002-2007.

Titus earned his bachelor’s degree in business administration and organizational behavior at Southwest Minnesota State University, his Juris Doctorate degree from Marquette University Law School, and his Ph.D. in higher education administration from the University of Virginia.

**Call 800-582-2383
for more information on
Iowa Wesleyan College.**

On April 15, IWC hosted the 2014 Iowa Talented and Gifted (ITAG) Young Scholars Conference, where high school students gathered for career exploration, information gathering about college, and interactions with college representatives.

Senior Awards Day 2014 will be Thursday, April 24, at 11:00 a.m. in the IWC Chapel Auditorium. Graduation will be Saturday, May 3, with the Baccalaureate ceremony at 10:30 a.m., and Commencement at 1:30 p.m.

Senator James Harlan returns to Mount Pleasant, or at least his statue does! The bronze statue of Senator Harlan, which has stood in the U.S. Capitol in Washington, D.C. since 1910, will be returned to Iowa Wesleyan College, as it has been replaced by one of Normal Borlaug, who received the Nobel Prize in 1970.

Senator Harlan was a close associate of President Abraham Lincoln, and his daughter, Mary, married Lincoln’s son, Robert Todd.

Prior to being elected to the Senate by the Iowa Legislature at age 35, Harlan was President of Iowa Wesleyan College from 1853-1855, then again from 1864-1865.

He stated his platform as, “If elected to the Senate of the United States, in all Constitutional questions that might arise, I would expect

to be guided in my action by the decisions of the Supreme Court and the well settled principles of constitutional law – in all questions of Legislative Expediency, by the views and wishes of the legislature and people of Iowa – and in all questions of Conscience by the *Bible*.”

There were significant challenges to his election by the Legislature, eventually leading to the Constitutional change to electing U.S. Senators by popular vote.

Harlan was a delegate to the 1861 peace conference which tried to prevent the Civil War. He was a good-government advocate and fired many non-performing federal employees while Secretary of the U.S. Interior Department, including poet Walt Whitman.

He died in 1899 and is buried at Forest Home Cemetery in Mount Pleasant. Last spring the Iowa Legislature voted that the statue be on permanent loan to IWC and provided the funding for moving it to campus.

The statue, created by Nellie V. Walker, will be placed between the library and the Harlan-Lincoln House. Walker, who was born in 1874 in Red Oak, Iowa, was famous for doing a bust of President Lincoln, displayed at the Columbian Exposition of 1893, as well as crafting sculptures of Chief Keokuk and W.S. Stratton.

The Midwest Will Rise Again

By Fred Siegel, Contributing Editor, *City Journal*

In fact, the region may well decide our next President.

The Midwest hasn't held center stage in American political life since the early 1950s, when Ohio's conservative senator Robert Taft challenged Dwight Eisenhower for the GOP presidential nomination. During those years, notes South Dakota native John Lauck, "Eastern liberals saw the rural Midwest as the home of McCarthyism, 'ignorant biblical literalists, rednecks, and crypto anti-Semites,' fascist and authoritarian undercurrents, and the generally darker aspects of democratic life."

In his short, richly footnoted book, *The Lost Region: Toward a Revival of Midwest History*, Lauck — a widely published historian, lawyer, and adviser to Republican senator John Thune — notes that the Midwest has been little discussed in recent years.

Yet elite dismissals of the region's provincialism overlook the fact that, as Lauck argues, the Midwest, not the more stratified Northeast or the slaveholding South, was the standard-bearer for democracy and egalitarianism in nineteenth-century America.

Ralph Waldo Emerson saw this in 1840 when he proclaimed, "Europe extends to the Alleghenies, while America

lies beyond." The fundamental spirit of America, Emerson implied, was forged on the frontier, where landowning was widespread and self-government was the social ideal. Adopting Emerson's argument, Wisconsin historian Frederick Jackson Turner saw the experience of taming the frontier as central to the American identity. The Midwest was foundational in forging it.

But what had been deemed admirable in the nineteenth century became the object of mockery in the twentieth. Seminal writers of American liberalism, such as Sinclair Lewis and H.L. Mencken, notes Lauck, depicted the Midwest's small towns as stultifying hellholes, filled with the conformist "booboisie."

Lewis's bestselling novel, *Babbitt*, featured a smooth-talking salesman selling the supposed virtues of his small city. In *It Can't Happen Here*, Lewis bizarrely depicted local chapters of the Rotary Club, a service organization common across the region, as the building blocks of an American fascist movement.

During the first half of the twentieth century, the premier academic journal of American history, the *Mississippi Valley Historical Review*, devoted considerable attention to

the Great Lakes and prairie regions. But in the mid-1960s, it changed its name to the *Journal of American History*, and by 1970 it published little on the Midwest except articles decrying the conquest of the Indians. It filled its pages primarily with examinations of race, class, and gender.

Regionalism, explains Lauck, was replaced by cultural Marxism, in which non-whites were depicted as victims of Puritanism, capitalism, racism, and frontier expansion. Iowa-born intellectual historian Christopher Lasch proved an exception to this trend. Lasch started out in the 1960s as a cultural Marxist but by the 1980s had become a defender of Midwestern democracy.

Lauck concludes his short book by explaining how the political history of Midwestern democracy can again be placed, Lasch-like, on the intellectual map. And be prepared to hear a great deal about the Midwest when the 2016 presidential campaign begins in earnest. Some blue states, such as Minnesota and Illinois, are shoe-ins for the Democrats. Deep-red Indiana is a cinch for the GOP. But others — such as "purple" Wisconsin, Ohio, and Pennsylvania — will be closely contested. The GOP is considering holding

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***The Greatest Anti-poverty
Program,
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regulation, not more, 67 percent of the time.

And here is the final surprise, given President Obama's rhetoric about concern for those at the bottom of the income ladder: Almost every policy initiative of the Obama administration has been anti-investment, anti-work, and anti-production and therefore, anti-growth.

Reprinted with permission of John Goodman's Health Policy Blog, March 24, 2014, <<http://healthblog.ncpa.org/the-greatest-anti-poverty-program-the-world-has-ever-known/>>. John Goodman is President and CEO of the Center for National Policy Analysis.

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***The Midwest,
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a "Midwestern primary" or perhaps a "Great Lakes Primary" shortly after the initial primary contests. The region will likely be a prime battleground, and it may well decide the next President.

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Fred Siegel is a City Journal contributing editor. His most recent book, The Revolt Against the Masses: How Liberalism Has Undermined the Middle Class, was just published by Encounter.