

# Like, Totally Awesome. Seriously.

## *The Economic and Social Reality of Political Rhetoric*

**T**eenagers have their parlance – see title above. Advertisers employ their ubiquitous mantras and teasers – amazing, save, free, sale. In public discourse and the political arena we also seem to have adopted several overused, feel-good terms:

**Transparency.** To promote accountability and trust, a major objective of the current administration is that “government should be transparent.” Nevertheless, for many matters – foreign policy and national defense, among others – we generally prefer that deliberations and decisions take place in secret. Think Julian Assange and Edward Snowden. As Bismarck, Twain and others have quipped, we don’t always want to watch laws and sausage being made.

By comparison, in many personal and professional matters we all cherish our privacy. As technology advances in general and surveillance in particular – GPS, cameras in public spaces, drones, social media, and smartphones – there are clearly tradeoffs. While we can more easily detect and deter domestic terrorism, hate speech, assaults on urban trains, and police misconduct, other “advances” may give us pause – red-light cameras, surreptitious recording of conversations, and the ability of hackers and scammers to wreak havoc in our financial lives.

In glass houses and smart cities – and when we all have body cameras! – the erosion of privacy and our ability to set boundaries and keep secrets may exact a toll on the quality of interactions with each other, break down bonds of support and trust, and reduce our ability to evolve intellectually and emotionally as individuals in society. Dave Eggers’ novel *The Circle* offers a chilling warning.

### BY ALLEN R. SANDERSON

**Infrastructure.** We are bombarded by elected officials and candidates on campaign trails with the assertion that our nation’s bridges, roads, ports, railroads, pipelines, and airports are falling apart and are on the verge of collapse. Empirically this claim, unlike a good dam, doesn’t hold water, but it is an emotional grabber. Others advocate for “investments” in high-speed rail systems and improvements in our physical assets. This is a position held by, duh, construction firms and unions.

In theory, one could have too little infrastructure or too much – or, like Goldilocks, just the right amount. (Arguably, India has too little; China, too much.) But politicians are easily distracted by shiny objects and can’t resist anything that provides a ribbon-cutting photo op. Unfortunately, their appeals to voters and legislative

proposals usually neglect the necessary complement – a realistic capital budget with funding for upkeep and modernization – because that is expensive and not nearly as sexy.

Families implicitly build into their budgets the costs of a new roof, furnace, or kitchen. Firms do it explicitly. Universities factor in reserves for upgrades to computer systems, dormitories, laboratories, and classrooms. Not so in the public sector.

Are Chicago’s and Illinois’ bridges in need of repair? If yes, one possibility: we have too many bridges.

**Middle Class.** Republicans can write off the poor – they’re going to vote Democratic; and thus so can the Democrats. The rich are likely to vote disproportionately Republican, so both parties can safely ignore them as well. Why did Willie Sutton rob banks? Because that’s where the money was. The 2016 tug-a-war will be over middle class working families because demographically that’s where the deciding votes are.

The term “middle class” is a subjective political category not an objective economic definition, and increasingly it seems to include anyone making between \$40,000 and \$200,000. (The average U.S. income is approximately \$50,000.) The contention that the middle class consists of folks with stagnant wages and no reasonable prospects for success is far more political fodder than a reflection of economic reality. But it will always play well in Peoria.

**Fair.** Are corporations and millionaires paying their fair share of taxes? Arguably not.

But what would constitute fair? Economists can’t define “fair” with any firm conviction, and neither can philosophers or mathematicians. (The richest 20 percent currently pay 84 percent of all federal income taxes. The bottom 60 percent? Zero.)

Fair may be the president’s favorite four-letter word, but discussions of equity often degenerate into name-calling and political one-upmanship. A complementary aspect of something being perceived as “unfair” is that we often conflate systematic bias and simple randomness – a young person dies tragically in a freak accident, Person A is rich and B is poor. These are instances of good – or bad – luck in life rather than being someone’s fault and therefore punishment to be meted out.

Basic economic principles and jargon include words such as scarcity, choice, costs, and incentives. In the political arena it might be refreshing to acknowledge and employ these same concepts on occasion.

Whatever. □

