



The

Phyllis Schlafly Report



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Is the Era of Big Government Coming Back?

ID Cards Coming in the Back Door?

Having had to retreat from legislative attempts to establish a national ID card through Social Security numbers or unique health care identifiers, Congress seems to be trying a new tack to implement this wholly un-American idea. Congress has suggested that the Department of Transportation develop "model guidelines for encoded data on driver's licenses."

That's bureaucratese for turning driver's licenses into a *de facto* national ID card. This ominous suggestion was buried in last year's conference report on the Department of Transportation's appropriations request.

Even though this is not legislation, the American Association of Motor Vehicle Administrators (AAMVA) is already working with the Justice Department and the General Services Administration to set up the system. This non-official organization asserts that it has the "responsibility and obligation" to eliminate the lack of uniformity in state driver's licenses, and is demanding \$100 million to close the "loopholes."

Sorry, AAMVA, under our federal system of government, driver's licenses are in the exclusive jurisdiction of the states, and you have no authority to require uniformity. The diversity of federalism is part of what we call freedom.

The pushers of a national ID card are trying to ride our worries about the September 11 tragedies. But there is no evidence that a national ID card would have prevented the hijackings, since all 19 hijackers had visas issued by government officials, most had Social Security numbers, and several had driver's licenses. Several states even issue driver's licenses to illegal aliens.

Americans already have experience with the Federal Government giving everyone a number. When Social Security was instituted in the 1930s, we were promised "This card is not to be used for identification." Demands that we provide our Social Security number are now so ubiquitous that identity theft has become big business. The government should clean up the mess it has already created by allowing Social Security numbers to be used for non-Social Security purposes.

Public opposition to letting the government tag and track the medical care of every American through a "unique health-care identifier" (as required in the 1996 Kennedy-Kassebaum Act known as HIPAA) has been so strong that Congress for the fourth straight year in 2001 prohibited the use of federal funds to develop a unique health-care identifier. (Section 513 of H.R. 3061)

The plan to turn driver's licenses into national ID cards is clearly a vast expansion of federal power, with AAMVA CEO Linda R. Lewis calling bluntly for "federal intervention." But this plan is not just a simple process of requiring airport security guards to match your face with the card you present.

What's lurking behind this new proposal is a computer, which is tied into a giant national database, which is administered by government officials, which is subject to abuse and error. Government busybodies would have access to your entire life history: your travels, your money, your medical treatments, and your school records. This information would become available to banks, lending agencies, credit card companies, gun shops, auto dealers, colleges and, of course, all law enforcement agencies.

The accuracy of the database would pose persistent problems. Computers have glitches, humans make mistakes, and we all know how hitting one wrong digit or letter prevents the proper file from appearing on the screen.

The error rate in current government databases, such as Internal Revenue and Social Security, is already an embarrassment. Those mistakes, which may take weeks to rectify, are a costly annoyance.

But what if the mistake prevents you from boarding a plane to meet a scheduled appointment? Or withdrawing money to pay your taxes or mortgage on time? Or being admitted to the emergency room?

This proposed driver's license system is not about preventing terrorism, and it's not even about identity. It's about requiring individual American citizens to get government permission for traveling, banking, medical care, renting or buying housing, attending school or college, and even getting a job.

The problem that confronts America today is **foreign-sponsored** terrorism, and we must draw a bright line of different treatment between U.S. citizens and aliens. Our government should monitor the whereabouts of aliens, but **not** require U.S. citizens to relinquish our freedom.

Aliens, both the illegals and those in our country on temporary visas, should be required to carry and show a smart ID card with photo and fingerprint. It is long past time for the Immigration and Naturalization Service to implement an Entry-Exit system so we can deport the some ten million illegals and the temporary visitors who promised to depart on a date certain.

And yes, airlines should engage in profiling. The St. Louis police warned repeatedly that they would be profiling scalpers at the Rams football playoff game. If it's OK to profile scalpers, it should be OK to profile people who are trying to murder us.

CDC's Totalitarian Model Bill

On October 23, 2001, the Centers for Disease Control and Prevention (CDC) released a Model State Emergency Health Powers Act (EHPA) and immediately began urging all state legislatures to pass it. This bill is an unprecedented assault on the constitutional rights of the American people, as well as on our fundamental principles of limited government and separation of powers.

EHPA's principal author is Lawrence O. Gostin, a former member of Clinton's discredited Task Force on Health Care Reform. Clinton's attempted takeover of the entire health industry failed and resulted instead in the Republican congressional victory of 1994.

After Phyllis Schlafly distributed an analysis of the CDC bill on December 10, the CDC issued a revised draft on December 21 which modified some of its most egregious provisions. (Links to the analysis and to both CDC draft bills are available at www.eagleforum.org) But the original bill shows the totalitarian mindset of the CDC, of the Clintonistas who are still making policy in the Bush Administration, and of those who are still determined to have government take over the health care industry and be in a position to dictate the health care of individuals. By January 7, the *Wall Street Journal* reported that the model law was already being debated in a dozen state legislatures.

The proposed EHPA would bring about government takeover of the health industry by the states as a first step toward control by the federal government. EHPA would give each governor sole discretion to declare a public health emergency and grant himself far-reaching powers.

Under EHPA, the state legislature would relinquish its power to stop overreaching by the governor until at least 60 days after his actions. EHPA even suggested requiring a two-thirds vote of the legislature declaring that the risk has disappeared before the governor could be restrained. The bill wouldn't allow the governor to be reversed just because his actions are unwarranted, oppressive, or overreacting to the threat. The legislature would have to

find that the risk doesn't exist any more, something many legislators would be reluctant to declare.

EHPA would give other extraordinary powers to each governor. He could control, restrict or prohibit firearms, seize private property and destroy it in many circumstances, and impose price controls and rationing.

He could order people out of their homes and into dangerous quarantines where there would be no guarantee of safety from violence or contagious disease. Children could be taken from their parents and put into public quarantines managed by government officials.

The governor could demand that physicians administer certain drugs despite individuals' religious or other objections. EHPA is based on the undemocratic concept that decision-making by a single authoritarian figure is the way to go in time of crisis, as well as the ridiculous notion that the governor is qualified to practice medicine.

Under EHPA, government authorities would have full access, without meaningful limitation, to everyone's medical records. If the alleged emergency turned out to be grossly exaggerated or even a hoax, government need not return the private records. (Remember how Bill and Hillary Clinton got shocking access to, and were able to use, hundreds of FBI files about their political opponents?)

No public health emergency justifies EHPA's draconian infringements on our liberties. EHPA would grant these powers to governors without any showing of a real emergency, and merely an isolated case of a serious disease, or even a misdiagnosis, could trigger the governor's seizure of power.

Secretary of Health and Human Services Tommy Thompson has called for EHPA's passage. But George Annas, chairman of the Health Law Department at Boston University School of Public Health, says that "this law treats American citizens as if they were the enemy."

The Association of American Physicians and Surgeons (AAPS) opposes EHPA because governors should not be playing doctor and policeman. AAPS's analysis of the revised December 21 EHPA draft shows that it is "a disingenuous effort to mute criticism while making little substantial change." The word "firearms" was deleted, but still could be included because the list of what can be confiscated is not restrictive. Refusal of medical treatment for religious reasons is not made a crime, but those who refuse can still be quarantined or isolated. The government will still be empowered to destroy without compensation any property that it "reasonably suspects" may endanger the public health, and the dictates may be enforced at gunpoint. Only a majority rather than a two-thirds majority would be required to terminate the "emergency," but only after 60 days. (<http://www.aapsonline.org/testimony/emerpowers2.htm>)

The December 21 draft contains a new outrage that is even worse than the original ones. The first version allowed quarantining an individual only if he "poses a danger to public health." (Section 504(b)) The revised version allows quarantining an individual "to prevent the spread of

contagious or **possibly contagious** disease. (Section 603 (b) (3))

The immense political power of the pharmaceuticals must be factored into this effort to give the government power over the health-care decisions of individuals, especially because mandatory vaccines are sure to be involved in the extraordinary powers given to governors under EHPA. Already, the drug company lobbyists have persuaded 43 states to order mandatory vaccination of all schoolchildren against hepatitis B, even though the CDC reports only a tiny number of cases among children under age 14. Some schools even refuse to recognize medical and religious exemptions.

While the promoters of federal control of all medical care are now trying to capitalize on public fears after 9/11 attacks, the socialistic agenda behind EHPA was made clear in a pre-9/11 article written by Lawrence O. Gostin in the *Columbia Law Review*, January 1999, pp. 59-128. He stated that "rationing is, in public health, a 'moral imperative ... in the face of scarce resources'" and he called for a "redistribution of wealth from those who have more to those who have less."

Tell your state legislators to reject EHPA. There is no way to clean up such a dangerous bill.

A Real Patients' Bill of Rights: MSAs

The Senate and House have passed different versions of the so-called Patients' Bill of Rights which have yet to be resolved, but both versions involve more federal funding and more federal regulations. A *real* Patients' Bill of Rights would give us more choice and more competition, and would allow individuals to own our health insurance just as we own our automobile insurance.

Only the House bill (H.R. 2563) contains a provision which offers that kind of hope to reform our health care system. The Medical Savings Account (MSA) provision in the House bill (passed Aug. 2, 2001 by 236 to 194) is the approach that can simultaneously address the problems of high costs, increasing numbers of uninsured, and prescription drugs. MSAs will also solve the problems of access, affordability and portability.

The MSA is an individually owned tax-exempt medical savings account used in combination with a high-deductible, catastrophic health insurance policy. The account is used to pay for routine medical care; when expenses exceed the annual deductible, the catastrophic policy kicks in to pay the remaining medical bills. MSAs can be spent for all medical expenses, including drugs, dental care, and eyeglasses. There are no restrictions on choices of doctors, specialists, hospitals, or tests.

MSAs allow individuals to make their own health care decisions without checking with a gatekeeper, a primary physician, or a bureaucrat. All those fearsome words that came into our vocabulary during the Clinton health plan debate will disappear: gatekeepers, capitation, HMOs, and bureaucrats making medical decisions. The money left over at the end of each year accumulates in the MSA,

drawing interest and building lifetime savings that can be used for later expenses such as long-term care.

Most Republicans who were elected to Congress in the big victory of 1994 pledged to pass MSAs. All they gave us was the pitiful shred of an MSA program that was tucked in the Kennedy-Kassebaum law of 1996 (the Health Insurance Portability and Accountability Act, or HIPAA).

The Kennedyites in the Senate planned for the MSA provision in HIPAA to fail by encrusting MSAs with all sorts of complicated restrictions on who can qualify, who can contribute, and what are the limits for the contribution and the deductible. These restrictions have no rational basis except to discourage people from using MSAs, which was the real goal of those who hope that public dissatisfaction will promote a nationalized health care system.

Each time the liberals made a major attempt to enact a national health care system — in the 1930s, 1940s, 1960s and 1990s — the American people rejected the concept of socialized medicine as incompatible with the American way of life. Nevertheless, the liberals plowed ahead with their incrementalist strategy of folding one group after another into a government health plan.

In 1929, only 14 percent of health care expenses were paid by government and 86 percent by private funds. By 1998, 46 percent of health care expenses were paid by government and only 54 percent by private funds.

Government programs always end up costing many times what their sponsors predicted. Payroll taxes to fund Medicare Part A (hospital insurance) have increased 36 times (26 increases in the applicable tax base and 10 increases in the tax rate). Nevertheless, Medicare is now facing bankruptcy. Government has no remedies except higher taxes, price controls, adding more costly benefits, and even rationing.

The biggest factor in health care costs is the dramatic expansion of third-party payments, and that in turn is aggravated by the government's increasing role in health care. If people don't care (and often don't even know) how much is spent because someone else is paying the bill, there is no incentive to shop around, question costs, or avoid unnecessary tests or treatment.

MSAs solve the problem of third-party payments by restoring the relationship between buyer and seller (patient and provider) so that the patients can check prices and make their own decisions about whether and whom to pay. When people are allowed to keep the money they don't spend on health care, they can be counted on to keep costs down.

MSAs will end the current discrimination in the U.S. tax code that permits big businesses to deduct all the money they spend for their employees' health insurance (including "gold-plated" policies for top executives), while individual workers are denied that same tax advantage.

Tell your Member of Congress to make sure that the MSA provision passed by the House is included in the final bill, giving patients a real Bill of Rights.

Rushing Toward Economic Integration?

Where are all those strict-constructionist Republicans who've been complaining about activist judges who don't respect the fact that the U.S. Constitution gives "all legislative powers" to the Congress? Don't those Republicans realize that it is just as unconstitutional to transfer legislative powers to the executive branch?

When it comes to legislative powers over trade matters, the U.S. Constitution is precise. Article I, Section 8, expressly grants Congress the sole power "to regulate commerce with foreign nations" and "to lay and collect taxes, duties, imposts, and excises."

Fast Track is a bill to unconstitutionally transfer those commerce powers to the executive branch. Fast Track gives the President and his appointees a blank check to make trade deals with foreign countries. On December 6, 2001, after heavy lobbying by the Bush Administration, the House of Representatives passed Fast Track by one vote (215-214), and the Senate is expected to pass it early in 2002.

An earlier version of Fast Track was in effect when Bill Clinton rammed NAFTA and GATT through Congress in 1993 and 1994, and it offers good lessons in legislative chicanery and economic harm. Hidden in the 22,000-page GATT was the 14-page charter putting us in the World Trade Organization, where we have one vote, the European Union 15 votes, and the Third World 80 votes. NAFTA and GATT have failed to live up to their rosy predictions. The most visible result is the plan to flood our highways with Mexican trucks that haven't passed U.S. inspection for safety and insurance.

In the hope of concealing the shady procedure of Fast Track, the Bush Administration gave Fast Track a sweeter-smelling name: Trade Promotion Authority. But Fast Track is exactly what this bill should be called because it will rush executive-branch agreements through Congress with mandatory deadlines, severely limited debate, no amendments allowed, only the chance to vote aye or nay, and rigging the process to evade the two-thirds treaty requirement in the Senate.

It's unfortunate that the President resorted to name-calling of those who disagree about Fast Track as he did when he labeled them "isolationists" at his June 20 meeting with the Business Roundtable.

The managers of Fast Track in Congress sanctimoniously used such arguments as "Don't you trust our President?" The response should be, Yes, we trust him to do what he said he would do, and he said his high priority under Fast Track will be to implement the Free Trade Area of the Americas Agreement, which would extend NAFTA to cover 34 Latin American countries.

When Bush signed the Declaration of Quebec City on April 22, 2001, he gave a "commitment to hemispheric integration and national and collective responsibility for improving the economic well-being and security of our

people." It is clear that "our people" means all the people of the Western Hemisphere.

Bush pledged that the United States will "build a hemispheric family on the basis of a more just and democratic international order." He agreed to "the promotion of a Connectivity Agenda for the Americas (to) facilitate the beneficial integration of the hemisphere." The Quebec Declaration is filled with United Nations doubletalk such as "sustainable development," "interdependent," "realization of human potential," "civil society," "international organizations," "reducing poverty," and "greater economic integration."

Do we want to "integrate" our economies and currencies with Latin American countries, or assume the "national responsibility" to improve their "economic well-being"? Do we think that joining "a hemispheric family" with countries that do not respect the Rule of Law will give us "a more just and democratic international order"? The media has never reported public opinion polls on whether the American people want to be "integrated" with third-world, low-wage Latin American countries. The media don't ask questions when they don't want to report the answers.

Americans should thoughtfully consider this extraordinary concept of "economic integration" and how the word "integration" has come to have a meaning totally unrelated to race. On October 17, 1997, President Bill Clinton speaking in Buenos Aires told Argentine reporters, "What I am trying to do is to promote a process of reorganization of the world. . . . If we can prove that you can merge integrated economies and integrated democracies, then we'll be more likely to build a global system."

At that time, Argentina was held up to us as one of the most flourishing countries in Latin America. Now that Argentina has suffered total economic and political collapse, we should be mighty glad we didn't "integrate" the U.S. economy and the U.S. dollar with Argentina.

Fast track violates our separation of powers, diminishes American sovereignty, and infringes on the rights of Americans to engage in the trade of our choice. It is a constitutional mistake for Congress to surrender what one federal appellate court called "the unmistakably legislative power" to impose, modify, or continue tariffs and import restrictions. (*Consumers Union of U.S. v. Kissinger*, 506 F.2d 136 at 141-142, D.C. Cir. 1974).

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