Notes for the second exam

Review re: Bosso, Kraft and Furlong Ch 7-11

Format of exam: Similar to the first exam

- ID's with two parts: identify the item; then describe its significance
- Short answers, some part of a series on the same basic topic
- Quick answers, lists, bullet points are ok. Go fast. Be specific.

Bosso and Kraft on the environment:

- Know the major environmental laws
- Know the timing of when major federal environmental actions have taken place (partly from Kraft and Furlong).
 - o From the park service
 - o To the Price Anderson act of 1957
 - o To the NEPA of 1969 and other landmark acts of the 1970s
 - o To more recent ones; p. 318 of Kraft and Furlong
- Know the major environmental groups
- Which came first, the groups or the government activity? Trick question.
- Niche and across-the-board players
- Up-and-down with ecology and why that idea was wrong
- Theories of group formation and how they relate to environmental groups:
 - o By-product theory
 - o Pluralism
 - o Free-riding and the collective action dilemma
- How the environment illustrates general trade-offs people feel about size of government
- Café standards v. taxes on gas: why do it this complicated way? How this relates to our views of small government
- Why was there so little environmental controversy before 1965 or so? Because there were no environmental problems, because there were fewer groups, because there were fewer government programs, or what? Where do political controversies come from? Do they come automatically when there is a social problem?
 - o Swamps, bogs, unproductive and undeveloped land v. wetlands
 - Mosquito-control and economic productivity v. stopping sprawl and protecting nature
- Some specifics:
 - o Table 1.1: big groups by membership size and budget.
 - O Table 2.1 and the discussion around it: where the major groups came from, and how this was different at different historical periods. Conservation and hunting v. preservation and land-use type goals and how different these groups are.
 - o Table 3.1: membership trends since 1950. Wow.
 - o Table 3.3 and the discussion around it: niche players and all-arounders. What issues attract the most involvement and why.

- o Table 4.1: staff sizes over time.
- o Note the common themes in table 3.1 and 4.1 and other evidence on that theme
- o Table 4.7 and around there. Where groups get their money: membership dues or elsewhere. Small contributions or large donations? People or corporations? Avoiding or minimizing the collective goods dilemma, and how this is done.
- o Is \$2.1B a lot of money or no? Argue both sides.

Education

- Schools and the implications of local rather than state or federal funding systems
- Which is more heterogeneous by income, the typical school district, or the typical state? Why does Baumgartner think this could possibly be important?
- Desegregation, integration, busing, vouchers, all the ways to get around the basic idea that there are 13,000 independent and relatively homogenous school districts.
- Federal education programs:
 - o ESEA 1965 and following
 - o Morrill Act of 1862
 - o GI Bill and Pell Grants: Indirect, "portable" federal aid. Other ways of doing such things, which we don't use. How this relates to our view of government.
- Affirmative Action, equal opportunity, anti-discrimination and the concept of a "protected class." Some categories of people are not "protected" and can be discriminated against. (Individual laws may be based to protect them; maybe or maybe not. Gays as the most recent example of that.) Handicapped people have recently gained more protection; it's illegal now to discriminate against people with disabilities, but it used to be completely legal, and no special accommodations were required. Important things change when people mobilize and demand it. Know what "classes" are "protected." Think of some examples of classes one might think would be protected but which are not.

Health care

- Relative role of federal government, state governments, private employers, and individuals in paying for health care? Who is largest payer? What percent of Americans are covered by employer-sponsored health plans? Typical cost of a year of coverage. How many do not have coverage, in % and in Millions.
- Rising cost of health care, table 8-2.
- Third-party payment; the general functioning of the "market" in the health care area. Ways in which there is a market and examples of where there is not a market. Role of Medicare reimbursement rates in this.
- Medicare, 1965 amendments to 1935 Social Security Act
 - o All Americans over age 62
 - o Part A, hospitalization
 - o Part B, drugs, equipment, optional additional coverage, \$54 / month in 2002
 - o Part D, prescription drug benefit, just went into effect this year. A huge expansion of the program.
- Medicaid, also started in 1965

- o Means-tested
- Veterans Health Care System
- NIH and disease research
- FDA and drug approval and safety
- Some things to know:
 - o Bureau of Chemistry 1862
 - o FDA 1906, its current budget
 - o NIH, 1887, its budget
 - o CDC, 1946, its budget
- Decentralized, pluralistic US system v. a more centralized monopolistic system as in most other countries. Does this promote high quality care? Equal quality of care? Equal access to care?
- Increased longevity, health improvements for most Americans over time. Things do get better in spite of all these inefficiencies and problems.

Macroeconomic and Budget Policy

- Monetary, fiscal, and tax policies
- Federal Reserve Board and what they do
- Consumer Price Index and how they figure that out, what it means
- Budgetary process, p. 196 and around there
- Surpluses and deficits and how they affect the economy
 - o Deficit spending can help push the economy out of a recession
 - o Consistently running a huge deficit at all times is a different story
- These are different questions than taxes and spending for a given policy purpose. Focus here is on the aggregate impact of the entire federal budget on the entire economy.
- Tax policy v. fiscal policy.

Poverty and Welfare

- Percent in poverty by age: fig. 9.1. Why did this change?
- Fig. 9-2. The Gini Coefficient; what that is and what it tells about the US. Is inequality going up or down?
- Social Security
 - o Single biggest government expenditure, bigger than defense
 - o Demographic time bomb here. Figure 9-3 workers per retiree
 - o AARP. Did they come before or after the growth of pension programs?
 - o Huge success in elderly poverty alleviation
 - O Structure of the program: not a "pension" but a "transfer" and why this was done
- Welfare and what that means: a means-tested program available only to the "poor"
 - o How to define the poor?
 - 2002: For a family of 4, \$18,556
 - Fig 9.1 shows decline in poverty rate from 26% in 1949 to about 10% in 2000. Big success!
 - Use the class web site and look at some poverty stats from Census.gov
 - o The "childish" aspect of poverty in America:

- 1998: 19 percent of all children are in poor families
- Children: 26% of Americans in general; 39% of all poor Americans
- Various welfare programs, Table 9-2, and how big these various programs are.