

The Gorillas in Our Midst: The Essential Services of Government

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While I looked forward to today's talk, anticipation is not the same as preparation.

Therefore I was caught off guard when I received a call asking for a title for my talk.

Nonplussed, I blurted out something about gorillas and essential services. No, I am not sure what that means either. Maybe if I sidle up to it we can figure out what I was talking about.

The essential services part is pretty straightforward. Indeed, I suspect over the next few months it is a phrase you will grow tired of. In times of fiscal uncertainty, what programs are essential to fund, at what level, and why?

Of course you are not the first legislators to serve in tough economic times or to confront difficult programmatic choices. Like me, I assume many of you have been contemplating Governor Stanley Wilson's 1933 inaugural address. Wilson, confronting the Great Depression, asked, what are the essential services of government? He recognized that most Vermonters wanted the costs of government reduced by cutting services; except, of course, those services they personally wanted. To quote Governor Wilson:

"The great increase in the cost of our government aside from war time expenditures and those due to the [1927] flood has come about because the people acting through their representatives in previous legislatures have been constantly demanding that more be done for them through state agencies. We speak of essentials of government. The actual essentials of state government are few. Not long ago the state spent nothing for highways, public health, care of the insane, care of tubercular persons, public welfare, conservation, agriculture, forestry, industries, and supervision of public service corporations and but

little for education and debt service. If we should eliminate expenditures for these endeavors now, we could run state government for a tenth of its present costs.

“...Probably we have no state endeavors that do not have merit. Some are absolutely essential to the continuance of our functioning as a state. Others are essential according to modern standards. Some are desirable only if we can afford them.”

I regret to report that Governor Wilson did not go on to enumerate what he believed the essential services to be. What is interesting is the number of services Wilson thought were recent additions to State expenses. From an archival perspective many of those services had long antecedents.

Take his statement that the State had, until recently, spent nothing on “care of the insane.” Vermont’s 1777 Constitution gave the courts jurisdiction over the “Care of Persons and Estates of those who are non compotes mentis.” As early as 1779 the legislature enacted a law “for relieving...Idiots, impotent, distracted and idle Persons.” The act required State support for the mentally ill who could not be provided for by either their families or their towns. In 1835 the State began to periodically appropriate money for the Brattleboro Retreat and in 1841 made the first general appropriation for the insane poor. In 1884 the State assumed responsibility for the support of mentally defective paupers and in 1891 opened the Vermont State Hospital in Waterbury. These incremental steps toward State funding of mental health belies Wilson’s belief that these were new services. What he may have had in mind was the Department of Public Welfare, created in 1923, that absorbed the previous positions of supervisors of the insane. He may have also been thinking of the 1931 law allowing for the sterilization of “defectives,” a proposal coming out of the Vermont Eugenics Survey.

The Eugenics Survey has received a lot of not-too-friendly attention of late. Most of that attention has been focused on the very disturbing idea that government could consciously engineer “better Vermonters.” There are several other, more quirky, aspects to the Survey. My favorite is the direct tie between the Eugenics Survey and the launching of Vermont’s modern tourism and marketing efforts. One goal of the State’s support for tourism, as stated in the 1931 Commission on Country Life report, was to bolster Vermont’s “good old Yankee stock” through selective promotion of second home ownership by the “right sort of people.” But I digress.

While Wilson acknowledged that the State had a history of funding education, he felt that until recently it had spent but little on this service. Again, an archival perspective suggests a different reality. Public education also had its roots in the 1777 Constitution and State financial support had grown through the late 19th century. To give but a few examples, the State provided textbooks starting in 1894; took over the State Normal Schools (now the Vermont State Colleges) in 1896; and created a state school fund of \$1.2 million in 1906. Between 1925 and 1933 the State routinely appropriated money for a Community School House Fund that provided towns with matching funds of up to \$100 to improve rural schools.

The rise in educational costs was not linear. Funding for the Department of Education, for example, dropped from \$31,000 to \$29,000 between 1923 and 1928. Still the pressure to adequately fund education is a constant; between 1924 and 1932 the State’s overall educational expenditures rose by 21 ½%.

This paled in comparison to State expenditures for roads, which increased 186% during the same eight year period. Public roads were another service Wilson thought we had spent little upon until recently. Like the other services he mentioned there had been, instead, a steady rise in State highway expenses. By the 1890s a good roads movement was linked to the rise of the dairy industry. Hard surface roads were essential to getting fluid milk from farm to market. And by the 1920s good roads were tied to tourism. Vermont had, since at least the 1880s, promoted itself as a vacation destination. We originally sought to attract “vacationists;” that is people who would come and stay in a community for a few weeks or even months. With the automobile came the tourist; people who spent their vacations driving—touring, if you will--to different communities. In 1923 the State enacted a 1 cent per gallon gas tax to support good roads. Two years later the tax was doubled, in part because of the costs of maintaining good roads. I understand that we no longer have a gas tax. Instead we have a “Motor Fuels Distributor Infrastructure Assessment Index.” I love this stuff.

Maintaining our highway infrastructures is expensive; deferring maintenance can be even more expensive. This is an issue you will face. It is also one with a direct link to Wilson’s inaugural. Remember how Wilson mentioned the expenses stemming from the 1927 flood? The flood washed away over 1200 bridges. Consequently a significant number of our bridges today date back to the flood recovery effort. They are over 80 years old and in various stages of repair. Recent problems with such bridges in Richmond and Middlesex highlight the issue and the costs of deferred maintenance.

Until 1931 one source of revenue for roads was a statewide property tax originally enacted in 1892. The 1892 act put a levy of 5 cents on the dollar of town grand lists. The money collected was then re-distributed to the towns on the basis of their road mileage. In 1931 state property taxes were abolished in favor of an income tax and, in the same year, the state highway system was created. This may have been what Wilson was thinking about in terms public highways as a recent service.

Of course the property tax had traditionally been a source of state revenue. Indeed, until 1880 a statewide property tax was the principal revenue source for state government. .

Over the years I have been encouraged to reference one other statewide property tax in my remarks. That was the 1890 statewide property tax for the equalization of education spending.. The tax came about because of the inequities caused by the local property tax. In 1890 Governor William Dillingham remarked that “while there are towns in the state in which the average rate of taxation for school purposes amounts to only seventeen cents on the grand list, there are others where it amounts to seventy-five cents, and one in which the average rate is one hundred and thirty cents...In the villages where the grand list is large, the taxes are light; while in the hill districts where the grand list is small, they are almost uniformly burdensome.”

Dillingham’s reference to the hill districts is significant. In 1890 agriculture remained as a key component of Vermont’s economy. The hill towns, however, could not support

profitable farming and therefore had weak tax bases. The 1890 redistribution of property tax revenue advantaged these hill towns. Consequently towns like Killington were receiving towns throughout the 40 years the tax was in place. Ironically, the tax was repealed in 1931 just as the mountain towns began to see their tax bases grow through the emerging winter recreation business.

Like the statewide property tax for highways, the education tax was repealed in favor of a state income tax. Reverting to local property taxes for education soon lead back to the funding inequities Dillingham noted in 1890. I am confident the current statewide property tax will come to your attention in the coming months. As one historian of Vermont taxation noted, “In some respects, the history of taxation in Vermont is the history of a state trying to find an alternative to the property tax and looking for a better way to tax income.”

Let’s return to Governor Wilson. Another new service he mentioned was public health. As I noted with mental health, the State actually had a long history of providing health services. Rather than revisit that history let me quickly shine a light on Vermont’s public health discussion in the early 1930s. A national Committee on the Costs of Medical Care had studied Vermont as “typical of a substantial part of the United States.” After spending several summers in Burlington and issuing 13 reports the Committee concluded that the “common belief that the poor receive necessary medical care is disproved...”

Among their findings were:

- 30% of what Vermont spent on health care is wasted.

- The costs of sickness to families are unevenly distributed. 17% of the rural Vermont families studied accounted for 62% of total health care costs.
- Preventive medicine is sorely neglected because “many families cannot make the necessary expenditures.”

The 1931 Commission on Country Life, looking at these figures, recommended that Vermont adopt a Canadian health care system.

Okay, so what was it with Governor Wilson? How could he be so mistaken about the evolution of government services, essential or otherwise? It is of course unthinkable that a governor would shape the facts to fit an agenda. So now, at last we come to gorillas.

In 1999 a couple of University of Illinois researchers published a paper entitled, “Gorillas in Our Midst: Sustained Inattentional Blindness for Dynamic Events.” Subjects in the study watched a video of a circle of people passing a basketball. Their task was to count the number of passes as the ball made its way around the circle. Focused on that task, at least half the subjects failed to notice a person wearing a gorilla suit walk through the middle of the circle. This is what the researchers referred to as “inattentional blindness.”

I encountered this study in Tom Vanderbilt’s fascinating book, **Traffic: Why We Drive the Way We Do**. Vanderbilt used the study to explain the frequency of car/motorcycle collisions at intersections. When drivers pull into traffic they are looking out for other cars; focused on cars they often “look through” motorcycles. Vanderbilt quotes a

traffic engineer who explained that “our expectations and knowledge of what’s in a scene influence what we see in the scene.”

I was charmed by the study and love the idea of inattention blindness. I think we in government can get caught up in a form of inattention blindness as we are asked to resolve far-ranging issues. Focused on the immediate problem, we can lose sight of the issues’ larger contexts; we fail to see the gorilla.

A role of the Vermont State Archives and Records Administration is to preserve records and information that can help us see the gorillas. While the secretary of state has had archival responsibilities since the 1780s, VSARA is new, created this past July. I hasten to add that we are not a historical function. Our mission is to help agencies manage their records in accordance with legal, administrative or informational requirements. A goal within that mission is to make public records as accessible as possible to inform decision-making; measure program results; and provide citizens with the opportunity to understand what decisions we have made in their name. This is a particularly exciting challenge at a time when information technologies are causing us to rethink long held assumptions about how to manage records. One example you have probably already encountered is how to manage legislative e-mail.

About 5% of all the public records we create have a continuing value; these are the archival records. Archival records can be useful in seeing the gorilla. For just as there are records of continuing value, there are continuing issues. Each generation has to

address issues relating to the economy, public health, the environment, education, etc. It is not that these are issues without solution; rather each generation, each legislature, must address them within the context of their fiscal realities and social expectations. It is now your turn.

Your task will, at times, appear daunting. During the last biennium, which lasted a total of 147 days, almost 1,300 bills were introduced. If you find yourself becoming overwhelmed, it might be good every now and again to pause and ask: where is the gorilla here? What is the context to this issue? If at times you have trouble seeing the gorilla, give us a call and we will try to help. We are, after all, an essential service of government.