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ALEC is coming to a city block near you

The conservative think tank known for flooding state legislatures with its agenda is starting to think locally

October 6, 2014

by Amy B. Dean

The American Legislative Exchange Council (ALEC) has long made headlines as a conservative policy-sharing network that has pushed an agenda of voter suppression and dismantling of public education at the state level. Now the group, backed by conservative billionaires Charles and David Koch, is going local with its new initiative, the American City County Exchange (ACCE). Soon, city government or county commission policies could be generated at the same right-wing think tank that has attacked environmental protections, attempted to undermine the rights of workers and made it harder for people to vote.

At a time of congressional gridlock and partisan rancor, local policies are easier to come by at the local level, with business and citizen groups coming together to generate solutions to problems such as affordable housing, public transit, open space and good-paying jobs. At the heart of these efforts is the spirit of regional collaboration among people who will have to live with the consequences of policy.

ALEC, with its new project, plans to interrupt that collaborative policymaking process by coming in from the outside with model bills based on an ideological obsession with privatization rather than on local knowledge about what works.

Progress grows local

Some of the most successful, life-improving policies in metro regions involve partnerships among elected officials, private corporations and grass-roots activists. What has made collaboration successful is the fact that stakeholders come together. I saw this firsthand during more than a decade of work in Silicon Valley. There the Silicon Valley Leadership Group (a business consortium) worked with organized labor and community groups to ask for funding for quality public transit and the development of affordable housing. One result of this collaboration

was a sales-tax-funded public transit system that is being built to serve all residents of Santa Clara County.

The business community in Silicon Valley also partnered with organized labor around the issue of children's health care. In 2001 the Santa Clara County government, at the behest of the South Bay Labor Council and local business leaders, set up a combination of property taxes, tobacco taxes and outside grants to fund a universal health care program for all children in the county. Though its funding was shaky at times, the program managed to cover 97 percent of the county's children, until it became part of California's Medicaid program in 2013.

Instead of trying to contribute to locally relevant solutions, ALEC's new project hopes to take local stakeholders out of the equation. It plans to take cookie-cutter bills thought up by corporate lobbyists and try to push them through local government. From its state-level work, ALEC is known for its attacks on environmental protections, its opposition to employees' rights such as paid sick days and for promoting "stand your ground" gun laws that have been used as legal cover for violence against young unarmed African-American men and women.

Privatization agenda

For city and local governments, ALEC's primary focus is on privatization. Its new local push through the ACCE wants to "ease the way for corporations to take over local services," as Jay Riestenberg, an analyst at Common Cause, recently told Bloomberg News.

Conservative think tanks such as the Heritage Foundation and the Cato Institute have long pushed a smaller-government agenda of privatizing government services such as mass transit and utilities. They argue that instead of being run by elected public officials using tax dollars, these vital services should be funded and operated by private corporations in a competitive marketplace.

The problem with this is that privatization locks local government into contracts that remove democratic oversight. While city and county politicians face repercussions at the ballot box if they do not deliver services for their constituents, corporations can take the money and run — often leaving voters with few means to reverse bad decisions when services are compromised.

We have already seen at the state level that the negative consequences of ideologically driven privatization can be profound. For example, in Rhode Island, ALEC was successful in persuading state government to hand over its public employee pension fund to private hedge fund managers. As Matt Taibbi documented in *Rolling Stone*, the regret now runs deep among state lawmakers, who have seen their state pay out millions in servicing fees to these private hedge funds, while the pension fund — and city services — continue to suffer. "They pretty much took the COLA [cost of living pay raises for public workers] and gave it to a bunch of billionaires," Providence's retired firefighter union chief told Taibbi.

At the city level, perhaps the most prominent cautionary tale about privatization is Chicago's move to sign a 75-year contract with finance company Morgan Stanley for the management of its parking meters. A city audit showed that the deal rested on an undervaluing of the meters and lost the city \$1 billion as a result. In addition, Morgan Stanley recently sued the city over lost profit because of the periodic shutting down or moving of meters for street cleaning and city events. Chicago lost that lawsuit, to the tune of another \$61 million. This means the city incurs additional cost when it wants to add protected bike lanes and bus routes and enact other interventions that could help reduce carbon emissions. And because the deal with Morgan Stanley is locked in for another 69 years, voters have little recourse. Future generations will suffer from this decision, which was made before they were born. They won't be able to use their votes to reverse the parking meter fiasco.

"Local politics in America is the purest form of democracy," Pittsburgh city council member Natalia Rudiak said to The Guardian about the ACCE. "There is no buffer between me and the public. So why would I want the involvement of a third party acting on behalf of a few corporate interests?"

Rudiak's comment cuts to the core of the matter: ALEC wants to take the same sort of highly ideological agenda that has stunted progress in Washington and state capitals and impose it at the metro level. If Americans let them succeed, we will lose the most promising frontier in democratic policymaking today — local government — along with our communities.