

**COLUMN LEFT/**

PETER DREIER

RICHARD ROTHSTEIN

# Man-Made Disasters' Double Punch

■ Why is it sound public policy to assist quake victims but not those hurt by defense cutbacks?

Last April, Congress killed President Clinton's "stimulus" program to create a million public-works jobs restoring highways, bridges, sewer systems, schools and parks. Opponents shouted "pork barrel" politics, "tax-and-spend liberalism" and "budget buster." Unable to overcome a filibuster, Clinton withdrew his proposal.

Within hours of the Northridge earthquake, Clinton pledged \$1 billion to rebuild and provide emergency assistance, along with low-interest loan guarantees for homeowners and small businesses. He promised to ask Congress for more as damage estimates increased. Los Angeles will receive more federal tax dollars for investment in infrastructure than we would have obtained from our share of the stimulus package.

After Hurricane Andrew, Midwest floods or California earthquakes, officials recognize government's responsibility. Congress will exempt these appropriations from requirements for offsetting budget cuts without a peep of protest from Sen. Bob Dole or fellow filibusters.

Why does it take natural disaster to justify public works? We aid the homeless or jobless in natural disasters but hear endless objections to expenditures when many more suffer man-made disasters of cyclical downturns or changing priorities.

Why isn't 6.5% unemployment—9 million jobless, 8 million more too discouraged for active job-hunting or forced to work part time—considered a sufficient emergency to warrant federal action? Why is it sound policy to assist earthquake victims but not families devastated by defense cutbacks? Aren't 150,000 California aerospace layoffs ample reason to invest in civilian projects to employ idle engineers, technicians and production workers? Why do we expect Washington to help people made homeless by a flood but not those

## 'Aren't 150,000 California aerospace layoffs reason to invest in civilian projects?'

made homeless when employers relocate to Third World countries?

Despite lagging productivity, America now spends less than half of what we spent 30 years ago on public infrastructure. By 2005, road deterioration will cost 3.9 billion hours of vehicle delay annually, even without earthquakes. Why can we rebuild bridges collapsed in earthquakes, but not invest in transportation so people can get to work in normal times? Santa Monica Freeway reinforcement had been delayed from lack of funds. If Congress had enacted Clinton's stimulus package, Caltrans might have completed the project before Monday's calamity.

For 1.5 million unemployed Californians, it's a bitter irony that only natural disaster provokes government-sponsored stimulus. Jobs created by earthquake relief will be in private firms. Reemployed construction workers will purchase food, clothing, haircuts and furniture, putting others back to work. Ripple effects of \$1 billion in federal spending could create at least 65,000 new jobs and generate new tax revenues to offset costs of emergency aid—as a stimulus program could have done months ago.

*Peter Dreier is professor of public policy at Occidental College. Richard Rothstein is a research associate of the Economic Policy Institute.*