

affect them much. Doubling the current federal tax of 18.4 cents per gallon, for instance, might reduce U.S. oil demand by 500,000 barrels a day—a drop in the bucket in a world that consumes 85 million barrels a day.

What about global warming? It's hard to put a price tag on future damage, but Parry thinks the best estimate is Yale economist William Nordhaus's \$15 per ton of carbon emitted today. However, gasoline is not very rich in carbon; imposing a carbon tax equivalent to \$15 per ton of carbon would translate into a gas tax of less than 4 cents per gallon. Coal and other fuels release much more carbon.

"Broader-based taxes that cover all fuel uses—electricity generation, in particular—would make more

sense" than a gas tax, says Parry. "By the same token, extending fuel taxation to other petroleum products (jet fuel, heating oil, petrochemicals, etc.) would be a more logical first step to reducing oil use than raising gasoline taxes."

Targeting traffic congestion raises another set of complications. In theory, the costs of traffic congestion are large enough to justify a gas tax of between 60 cents and \$1 per gallon. But if such a tax were imposed, many drivers would switch to more fuel-efficient vehicles. That's a good thing, of course, but it would have a perverse effect on congestion. By keeping the cost of driving down, fuel efficiency would wash out more than half the positive effects of the higher tax.

Parry has a better idea: Tax driv-

ing directly, not fuel. He thinks that new electronic metering systems like those coming into use in the United Kingdom offer a superior path. (Britain already has the highest fuel prices *and* the worst congestion in Europe.) Metering would make it possible to charge people "according to where and when the vehicles are in use." People who insisted on driving in gridlocked cities during rush hour would pay a premium price per mile, while those zipping along on empty rural roads would pay a fraction of that sum. Add a carbon tax to attack global warming and a push to develop fuel cells and other alternatives to the internal-combustion engine, and America would be on the road to rational management of its energy problems.

SOCIETY

Health Care's Continuing Crisis

A SURVEY OF RECENT ARTICLES

PRESIDENT GEORGE W. BUSH'S low-key call in his State of the Union speech for an expansion of health savings accounts has momentarily put America's simmering health care problems back in the spotlight. At last count, in 2004, more than 45 million Americans had no health insurance—an increase of six million since 2000, caused mainly by the erosion of employer-

sponsored health benefits. At the same time, the cost of health care has continued to rise rapidly.

Several articles by noted specialists in *Boston Review* (Nov.–Dec. 2005) offer a good overview of the current state of the debate in the field. John Geyman, a professor emeritus of family medicine at the University of Washington, Seattle, argues that after all the failed reform efforts of the last 30 years—from managed care to health maintenance organizations to preferred provider organizations and consumer-

directed health care—the time has come for national health insurance.

Under such a plan, every American would be covered for "all medically necessary services." There would be no copayments or deductibles. Though insurance would be publicly financed, perhaps by a payroll tax, health care delivery would remain private, and individuals would be free to choose their own physicians and other providers. Hospitals and other institutions would negotiate their compensation with the government. Bulk purchases of prescription medicines alone would save \$50 billion annually. In essence, says Geyman, establishing a national health insurance system would be equivalent to extending the Medicare program for the elderly to all Americans. With 41 million highly satisfied customers and administrative

costs of only 3 percent (versus 26.5 percent for investor-owned Blue Cross), Medicare is hard to beat.

Surveys over the last half-century typically have shown that most Americans favor national health insurance, “even when they are told that taxes will be raised and the program will be ‘government-run.’” He thinks that businesses hurt by ever-rising health care costs will soon be ready to sign on too.

Wishful thinking, say Ezekiel J. Emanuel of the Magnuson Clinical Center, National Institutes of Health, and Victor R. Fuchs, a professor emeritus of economics at Stanford University. The single-payer method has some virtues and at least one big problem: Its one-size-fits-all approach, along with its prohibition against individuals buying additional insurance and services on their own, runs counter to “deeply entrenched American values.” Unlike Canadians and Europeans, Americans value individualism and personal choice at least as much as they do equality. And, as a practical matter, conservatives and business will never consent to a single-payer plan.

Single-payer plans are also “bad policy.” For one thing, they would institutionalize the costly and inefficient fee-for-service reimbursement of doctors. And by promising comprehensive benefits while lacking the private market to restrain rising costs, single-payer plans invite “financial disaster.” Medicare, far from being the model program Geyman claims, illustrates the problem. By 2020, the Medicare Trust Fund will be empty and the program will be devouring five percent of gross domestic product; in 75 years, costs are

projected to exceed all of the federal government’s tax revenues.

But there is a practical way to extend health care coverage to all, Emanuel and Fuchs say: a universal voucher system. All Americans under 65 would get a federal voucher (financed by a new value-added tax or other levy) for “basic” health services underwritten by a qualified insurance company or health plan of their choice. Providers would not be permitted to exclude individuals because of their medical histories, and people who wanted to buy more than the basic services would be able to do so.

Most Americans favor national health insurance, reports one analyst, “even when they are told that taxes will be raised and the program will be ‘government-run.’”

“By guaranteeing everyone a basic benefits package but not comprehensive services, the program would be able to offer universal coverage without opening the government piggy bank to every intervention devised by pharmaceutical companies or device manufacturers,” Emanuel and Fuchs argue. Those companies would still have plenty of customers among those who carried their own supplementary insurance. A federal health board, modeled on the Federal Reserve Board and aided by regional boards, would manage and oversee the voucher program.

Jill Quadagno, a sociologist at

Florida State University, is skeptical that the insurance industry would accept the needed regulation. Without it, “insurers would reject high-risk individuals, just as they do today.” That would send costs for those people through the roof.

Barbara Starfield, a professor at Johns Hopkins University’s Bloomberg School of Public Health, is also pessimistic about prospects for a comprehensive solution. She urges more modest measures. Only about one-third of U.S. physicians are in primary care, for example, and that is one explanation for Americans’ relatively poor health. (The United States ranked 23rd in the world in 2000 for both male and female life expectancy.) Specialization has become a plague with extraordinarily high costs. One-third of surgical and medical interventions today are thought to be unnecessary; an estimated 275,000 people die each year from adverse effects of medical treatment. “There is lots of evidence that a good relationship with a freely chosen primary-care doctor, preferably over several years, is associated with better care, more appropriate care, better health, and much lower health costs.”

But there’s still no getting around the problem of health insurance. “If primary care is to improve significantly,” writes Starfield, “the health insurance system must also be reformed.”

What about the Bush proposal? It falls into the category of consumer-oriented reform, working on the premise that people who have a more acute awareness of the costs of health care will be shrewder shoppers. Some three million Americans currently have health savings accounts, which

were launched in 2004.

Under the plans, consumers must buy relatively inexpensive health insurance with a very high deductible while placing up to \$5,450 (for a family of four) into tax-advantaged savings accounts to cover some of the potential costs before insurance kicks in. Among other things, the president wants to increase the amount people can save.

Bush's proposal has received the usual criticism from liberals and applause from conservatives, all of it delivered almost ritualistically. Whatever the fate of his ideas, both camps know that the larger debate will go on for years.

SOCIETY

The Busy Class

THE SOURCE: "Busyness as the Badge of Honor for the New Superordinate Working Class" by Jonathan Gershuny, in *Social Research*, Summer 2005.

"KEEPING BUSY?" ONE VICTORIAN gentleman would ask of another. The answer often had little to do with what modern folk might think of as work. In the late 19th and early 20th centuries, the pursuits that occupied the time of the moneyed classes—"sports, politics, the armed services, academics, and the arts"—fell into a category that economist Thorstein Veblen described as "leisure." Precisely because such leisure pursuits were separated from the necessary but grubby business of making money, they identified participants as members of the class of privilege.

How things have changed! Today, according to Jonathan Gershuny, a sociologist at the University of Essex, England, "long hours of paid work are

The most privileged now work more than the less privileged, a British sociologist concludes.

associated with advantaged social positions." The best-off are "increasingly employed in paid jobs that are intrinsically as well as financially rewarding," such as corporate management, and the legal and medical professions. Stranger still, this phenomenon has occurred despite an overall decline in the number of hours people are working. The inescapable conclusion: "The most privileged now work more than the less privileged."

In Gershuny's view, several factors account for this evolution. Longer life spans have reduced the flow of inherited wealth, forcing the children of the wealthy—mainly through higher education—to develop and use professional skills in order to maintain the same economic status enjoyed by their parents. At the same time, "innovations in the technology of production have led to enormous increases in the volume of professional and technical work." Such jobs guarantee high wages, and Gershuny cites a number of studies showing that "those with higher levels of earning power will choose longer hours of paid work time."

Gershuny believes that "busyness" at work has succeeded leisure as "the signifier of high social status." He bases this on time-budget diaries that indicate that even lower-earning workers and the unemployed seem as busy as high-wage earners. Why is this? Partly it is because of the range

of activities—errands and family responsibilities as well as traditional leisure pursuits—crammed into their nonwork hours. The steady rise of women in the workplace has also led to the sharing of a greater proportion of home responsibilities. But Gershuny suspects that at least part of this "I'm-so-busy" attitude pervading modern life is the perception that busyness—or at least its appearance—has now become a mark of social prestige.

SOCIETY

Education Takes a Baby Step

THE SOURCE: "A Decade of Effort" by Lynn Olson, "A Second Front" by Ronald A. Wolk, and "National Standards" by Diane Ravitch, in *Education Week's Quality Counts 2006*, Jan. 5, 2006.

THE STATES' EFFORTS SINCE THE early 1990s to hold public schools to explicit standards of academic achievement seem to have had a fairly positive impact. The improvement in students' test scores in mathematics and reading is "heartening," though certainly far from sufficient, says Lynn Olson, executive editor of the 10th edition of an annual report card issued by *Education Week*, a leading trade publication of the education industry.

Between 1992 and 2005, scores in fourth-grade math increased by almost 19 points on a 500-point scale used by the federal government, the National Assessment of Educational Progress (NAEP). That's the equivalent of nearly two grade levels. The increases were even greater for black (28 points) and Hispanic (24 points) fourth graders. Had white students'