

## Ayn Rand Conservatism at Work -- "Firefighters Let Family's House Burn Down Because Owner Didn't Pay \$75 Fee"

*Talk of limited government is appealing until you see what it actually means in practice: a society in which it's every man for himself.*

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Thanks to 30 years of right-wing demagoguery about the evils of “collectivism” and the perfidy of “big government” -- and a bruising recession that’s devastated state and local budgets -- we’re getting a peek at a dystopian nightmare that may be in our not-too-distant future. It’s a picture of a society in which “rugged individualism” run amok means every man for himself.

Call it Ayn Rand’s stark, anti-governmental dream come true, a vision that last week turned into a nightmare for Gene Cranick, a rural homeowner in Obion County, Tennessee. Cranick hadn’t forked over \$75 for the subscription fire protection service offered to the county’s rural residents, so when firefighters came out to the scene, they just stood there, with their equipment on the trucks, while Cranick’s house burned to the ground. According to the local NBC TV affiliate, Cranick “said he offered to pay whatever it would take for firefighters to put out the flames, but was told it was too late. They wouldn’t do anything to stop his house from burning.”

The fire chief could have made an exception on the spot, but refused to do so. Pressed by the local NBC news team for an explanation, Mayor David Crocker said, “if homeowners don’t pay, they’re out of luck.”

Ironically, Obion County describes itself as a “progressive community.” In a recent report (PDF), town officials wrote:

We continue to recruit new industry .... We’re building new roads and new schools and making improvements in health care, law enforcement and tourism. The implementation of a Regional Airport, the construction of the I-69 corridor through Obion County and improvements to our local infrastructure reflect the commitment of our county commissioner and municipal officials.

But last December, a county commission on which every member is a Republican voted to rescind a resolution passed years earlier that would have established a countywide fire department. Their rationale was, of course, the need to keep taxes low, but according to the county commission report, that decision was penny wise but pound foolish. “Because there is no operational county fire department,” the officials noted, “Obion County has missed the opportunity to actively pursue receipt of FEMA Assistance to Firefighters Grants (AFG) and Community Development Block Grants (CDBG), which could amount to hundreds of thousands of dollars of funding.”

Firefighting is perhaps the most frequently cited example of a good that the private sector simply isn’t suited to provide. We now deem the task of putting out fires a “public good” -- something individuals can’t decide to forgo without the potential of hurting others. But as I note in my new book, *The Fifteen Biggest Lies About the Economy*, it wasn’t always so. In the early years of our

Republic, in cities like Boston and New York, small, privately operated fire brigades vied for property-owners' business. You'd pay a small fee, and they'd give you a placard to hang on your door identifying you as a client. If a fire did break out, the company would—in theory, anyway—come and douse the flames.

It was a libertarian wet dream, but it was utterly disastrous. Sometimes, several fires broke out simultaneously. Small, independent fire companies could respond to only one or two at a time—they were constrained by their own limited personnel and equipment. It wasn't profitable to maintain the capacity to deal with a rare occurrence like multiple fires breaking out at once; if a fire company did devote the resources necessary to maintain that capacity, it would then be at a competitive disadvantage with its rivals. That's why in the modern world, if a massive fire breaks out, fire companies from across a municipality can respond together, specifically because they're *not* in competition.

And although one can live just fine without consumer goods—nobody ever died for lack of an iPod—society as a whole suffers a lot of damage from less-than-ideal fire control. While hiring, or not being able to hire, a fire brigade was a private matter that accorded nicely with the principles of the free market, it was also a transaction that came with what economists call negative “externalities”: effects that a transaction between two parties can have on a third. In this case, those effects are fairly obvious: a fire that isn't properly extinguished can spread rapidly to neighboring homes, potentially resulting in a disastrous conflagration that could consume the whole neighborhood. In Obion County, the firefighters who watched Cranick's house burn down only responded to the fire once it had spread to the property of a neighbor who'd paid the fee.

### **Fiddling While Your House Burns**

Firefighting is like many other goods that are vital to a healthy society but which the private sector isn't suited to provide. That's why the conservative rhetoric about “limited government” is only appealing in the abstract -- people really, *really* like living in a society with adequately funded public services. They like what government does in the *specific*, even if they have an inherent suspicion of the idea of “big government.”

Translated into the real world of politics and policy, limited government looks something like Arizona governor Jan Brewer's response to her state's fiscal crisis. Earlier this year, Brewer signed a budget that eliminated the Children's Health Insurance Program, denying health care to 47,000 low-income kids in Arizona. She also proposed a hike in the state sales tax—the most regressive tax, whose burden falls disproportionately on working people.

Joining Arizona in eliminating health insurance for the poor was Tennessee, which cut 100,000 people from its Medicaid rolls, including 8,000 children. One of those people was Jessica Pipkin, who lost the use of her arms and legs in a car accident in 2005. Pipkin requires round-the-clock care—at \$37 per hour—but was told she would lose her benefits because she and her husband earn too much to qualify. Are they rich? Well, her husband makes \$19,000 as a satellite television repairman, and Pipkin receives another \$14,000 in Social Security benefits.

In Minnesota, Governor Tim Pawlenty, a contender for the 2012 Republican presidential nomination, submitted a budget that slashed funds from student aid, financial assistance to

counties and municipalities, a job program for the blind and the mentally ill, low-income housing programs, mass transit in the Twin Cities, and a state insurance program that helps cover people with costly preexisting medical conditions. It was approved by a Democratically controlled legislature; lawmakers justified their budget by pointing out that they'd rejected Pawlenty's proposals for deeper, even more painful cuts.

Clayton County, Georgia, a mostly African American suburb of Atlanta, eliminated its bus service into the city, leaving tens of thousands of Georgia's working poor without a way of getting to their jobs. "I don't know what I'm going to do," a 57-year-old worker told the *Los Angeles Times*. "So many people here, they're going to be sure enough messed up. We need this bus bad." Oregon, Florida, New Jersey, and Maryland are also looking at deep cuts to public transportation systems to make up budget shortfalls.

Perhaps the most striking vision of the libertarian utopia comes from Ashtabula County, Ohio. It reduced the number of sheriff's deputies patrolling the 720-square-mile county from 112 to 49 and cut the number of prisoners in detention from 140 to 30. More than 700 people were put "on a waiting list to serve time in the jail." Some were facing relatively minor charges, but the list also included, according to Sheriff Billy Johnson, violent offenders. When a county judge was asked what citizens should do to protect their families "with the severe cutback in law enforcement," he responded, "Arm themselves ... Be very careful, be vigilant, get in touch with your neighbors, because we're going to have to look after each other." A gun instructor told the local news station he agreed with the sentiment. "You don't have any other option," he said. "We don't have the law enforcement out here to handle it right now."

These are but a few examples of what "limited government" looks like in the real world. They help explain why, as Think Progress noted last week, there's an "ever-growing list of Republican candidates and lawmakers" who talk big about "cutting spending" but, when pressed, "can't provide a single item they would cut from the budget."

Limited government only sounds good as an abstraction, but the principles of the free market won't get you too far when your house is on fire.

*Joshua Holland is an editor and senior writer at AlterNet. He is the author of *The 15 Biggest Lies About the Economy (and Everything else the Right Doesn't Want You to Know About Taxes, Jobs and Corporate America)*. Drop him an email or follow him on Twitter.*