



Stossel Goes to Washington

Subjects: Social Studies and Language Arts

Grade Levels: 6–12

ISBN: 1-932644-99-7

Product: 77C25VL00

Running Time: 40:00



Synopsis

In this special edition of ABC's *20/20*, co-anchor John Stossel goes to Washington D.C. on a consumer reporting expedition. Since we Americans pay sky-high taxes, he reasons, we have a right to know how our public servants are spending our hard-earned dollars. Stossel's inquiry reveals that Uncle Sam is a well-meaning but incompetent spendthrift: our government spends billions on programs that don't work very well. Not only that, millions more simply fall through the bureaucratic cracks. On a tour of our bloated government, viewers learn how red tape can hinder private charities, how Washington mismanages agencies such as the Bureau of Indian Affairs, and how government sometimes misuses force, both at home and abroad.

Many times, Stossel asserts, the solution is privatization—turning government programs over to private

abc NEWS
Classroom Edition

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companies. To back up this argument, the reporter cites numerous examples. Viewers learn about Canada's privately-run air traffic control system, visit a privatized, well-run apartment complex for low-income families, and hear patients and employees praise a for-profit ambulance company that features speedy service and state-of-the-art equipment.

The DVD contains the following chapters. You might use this program as part of a social studies or language arts unit focussing on critical thinking, drawing conclusions, and identifying facts and opinions.

Chapter 1: Introduction

John Stossel points out that our federal government finances and directs a myriad of programs—everything from garbage collection to opera performances on public TV. To bankroll such programs, Stossel claims, the average taxpayer chips in about a third of his or her income. This is *not* what the founding fathers had in mind, says Professor Tibor Machan of Chapman University, whom Stossel interviews throughout the program. Government, Machan insists, should protect our civil rights and defend us against foreign aggression—and that's all!

Chapter 2: The Department of the Interior

First stop on Stossel's muckraking tour is The Department of the Interior. Instead of protecting wilderness lands under the Department's supervision, says Stossel, government workers accidentally start huge forest fires, burning people's homes in the process. Another Interior Department agency, the Bureau of Indian Affairs, is supposed to take care of Native Americans living on reservations. For the Lakota Sioux, however, alcoholism is common and the average life expectancy has dropped to that of a Third World nation. Many blame this decline on the BIA's incompetence. In contrast, the Choctaw people of Mississippi manage their own affairs—and have a thriving business community to show for it.

Chapter 3: The Department of Housing and Urban Development

HUD, Stossel points out, spends billions on public housing, only to let complexes fall into such disrepair that it's necessary to demolish them and start over. In this segment, Stossel shows how privatization transformed an unsafe, dilapidated public housing project into a decent, well-maintained community for low-income families.

Chapter 4: Privatizing Public Services

Stossel sets out to show that even when it comes to essential services that government usually provides, private businesses do a better job at a lower cost. To prove his point, the *20/20* co-anchor cites examples such as a privatized water system in Jersey City, New Jersey, a pay-as-you-go highway in California, and Canada's successful privately-run air traffic control system.

Chapter 5: When Government Stands in Charity's Way

Stossel visits Delancey Street, a San Francisco mutual-aid network that rehabilitates ex-felons and addicts through job training in its own businesses. A private foundation, Delancey Street is still plagued with government red tape. Stossel and others believe that when charities do a good job, government should simply get out of the way.

Chapter 6: When Government Uses Force/Summing Up

In this segment, Stossel illustrates government's misuse of force. For example, in New Rochelle, New York, in order to make room for a huge Ikea furniture store, the mayor wanted to level a long-established neighborhood. Ikea cancelled the project, but residents could easily have lost their homes, thanks to eminent domain, the government's power to acquire private property whether owners like it or not. Stossel also deplores several examples of government intervention



abroad. Instead of keeping the peace or halting terrorism, he says, we often end up creating new enemies.

Finally, Professor Tibor Machan sums up the program, warning against rising taxes and government bloat. John Stossel predicts that this trend won't change.

Objectives

The student will:

- Learn about civics topics such as taxation, United States government agencies and programs, and eminent domain;
- Explore ethical, philosophical, sociological, and economic issues such as responsibilities and powers that the U.S. government should reasonably possess;
- Analyze perspectives about various aspects of United States history, and draw upon historical knowledge during the examination of social issues;
- Integrate individual stories about people, events, and situations to form a more holistic conception, in which continuity and change are linked in time and across cultures.

Background Information

John Stossel

Born in 1947, John Stossel is a 1969 graduate of Princeton University, where he earned a BA in psychology. He started his journalism career as a researcher for a Portland, Oregon, television station. When ABC TV first hired him, Stossel became the consumer editor on *Good Morning America*. He joined ABC's newsmagazine show, *20/20*, in 1981 and rose to the role of co-anchor (with Barbara Walters) in 2003. Stossel began hosting his own one-hour specials in 1994. On these and on his *20/20* opinion segment called *Give Me a Break*, he deals skeptically with topics ranging from pop culture to politics to censorship to widely believed but unfounded fears. Stossel has received many honors for his work, including 19 Emmy Awards.

Preview Questions

Ask these questions prior to viewing Chapter 1: Introduction.

1. Can you name some services that our local, state, and federal governments provide? Where do governments get the money for programs like these?
2. In the United States, what percent of his or her earnings does an average adult pay in taxes? Do students like you pay taxes? What kinds?
3. What is a government lobbyist?

Ask these questions prior to viewing Chapter 2: The Department of the Interior.

4. Have you ever heard of the U.S. Department of the Interior? What do you think this department does?
5. Are there any Indian reservations near your community? Why do some Native Americans live on reservations? Who makes public decisions on reservations?
6. What is public assistance? Do you think receiving public assistance helps or harms poor people? Explain your answer.

Ask these questions prior to viewing Chapter 3: The Department of Housing and Urban Development.

7. Have you ever heard of HUD, the U.S. Department of Housing and Urban Development? What kinds of responsibilities do you think this department has?
8. What is “low-income housing”? Who pays for it? Describe some low-income housing projects that you have seen. In these complexes who is responsible for making repairs?

9. Do you know what *privatization* means? Do you think privately owned companies usually do a better job than government programs? Explain your answer.

Ask these questions prior to viewing Chapter 4: Privatizing Public Services.

10. What are some essential public services that governments provide? Do you think our federal, state, and local governments do a good, mediocre, or bad job of running electrical and water systems, ambulance services, and other such programs? Give examples to support your answer.
11. Why might people want their government, rather than private companies, to run safety-related services such as air traffic control?

Ask these questions prior to viewing Chapter 5: When Government Stands in Charity’s Way.

12. What is “the poverty line”?
13. What is a charity? How is a private charity different from a government program such as Welfare? Why might government programs have more rules and regulations than privately owned charities have?

Ask these questions prior to viewing Chapter 6: When Government Uses Force/Summing Up.

14. Under what circumstances can our government use force? Can you describe any cases in which our government has used force with mostly negative results?
15. If government officials decided to build a road through your neighborhood, would it be lawful for them to tear down your home in order to make room? How about if they wanted to build a business such as a shopping center? Could they lawfully tear down your home to make room for that? Why or why not?

16. If our president wants to bomb another country, does he have to ask citizens' permission? Must he get an OK from Congress? Explain why you think this.

Postviewing Questions

Ask these questions after viewing Chapter 1: Introduction

1. According to the tax expert whom John Stossel interviews, for how many months per year does the average married couple have to work in order to pay their taxes? In addition to federal income taxes, what other kinds of taxes do most Americans pay?
2. What kinds of services do our local, state, and federal governments provide? What services does Tibor Machan (the professor whom Stossel interviews) think our government *should* provide? Why do you think he believes in such a limited government?

Ask these questions after viewing Chapter 2: The Department of the Interior.

3. What examples does John Stossel provide to support his theory that the U.S. Interior Department is incompetent?
4. How do the Choctaw people's lives differ from those of the Lakota Sioux? What accounts for the difference, according to Stossel and the people he interviews?
5. Why didn't Interior Secretary Bruce Babbitt want John Stossel to interview him for this program?
6. Do you agree with the points that John Stossel makes during this part of the DVD? Does he provide enough evidence to convince you? Explain your answer.

Ask these questions after viewing Chapter 3: The Department of Housing and Urban Development.

7. Why does the DVD show a group of high-rise buildings exploding? Who blew them up, and why?
8. According to the information you learned from this program (and/or information that you already knew), why do government-run housing projects fall into disrepair?
9. According to Stossel and those he interviews, why do private businesses do a better job of running low-income housing developments than the federal government does? Does Stossel explain who pays private companies to run public housing projects?

Ask these questions after viewing Chapter 4: Privatizing Public Services.

10. What is John Stossel's main point in this segment of the DVD?
11. What does the term privatization mean? What kinds of privatized services does Stossel show during this segment? In what ways have private businesses improved public services?
12. Why do you think people might be wary of privatizing public services that protect people's safety?
13. Now that you have learned about Canada's privately owned air traffic control system, would you be in favor of privatizing air traffic control in the United States? Why or why not?
14. Is your community's ambulance service run by the government or a private company? How about your community's water, gas, and electrical systems? Do you think private companies do a better job of running such services than government agencies do? Explain why you think so.

**Ask these questions after viewing Chapter 5:
When Government Stands in Charity's Way.**

15. What is Delancey Street? Is it a government program or a privately owned one? How do Delancey Street's workers help one another? What does the term "mutual aid society" mean?
16. What is the main point that John Stossel makes regarding private charities? Do you think governments should be able to regulate private charities? How about charities that receive government money? Give reasons for your opinions.

**Ask these questions after viewing Chapter 6:
When Government Uses Force/Summing Up.**

17. What does the term "eminent domain" mean? Do you think the government of New Rochelle, New York, had a right to tear down people's houses to make room for an Ikea store? Why or why not? If you were one of the residents whose home was threatened, what would you say to the mayor?
18. Under what circumstances do you think our government should use force against people outside our borders?
19. Now that you have seen the whole program, what do you think John Stossel's and Tibor Machan's main points are concerning taxes, government programs, and private businesses? In general, do you agree or disagree with Stossel and Machan? Give reasons for your opinions.

Suggested Activities

1. Prior to viewing *John Stossel Goes to Washington*, distribute copies of the Response Chart at the end of this Guide. Have students fill in the chart as they watch the DVD. Then invite them to share and discuss their opinions, feelings, and questions about the issues that John Stossel raises. Help students distinguish verifiable facts from opinions. If some students disagree with conclusions that the 20/20 reporter draws, encourage them to explain why. Ask them to do library and Internet research to back up their views.
2. Read aloud the following statements from the DVD, one by one. Ask students to tell who makes the statement, and what the speaker means by it.
 - "Americans pay more in taxes than we do in food, clothing, and shelter combined."
 - "Some idiot lit a fire when the wind was blowing. I think it's a criminal act."
 - "There's no Bureau of Jewish Affairs. There's no Bureau of Irish Affairs."
 - "I'm gonna fire whoever scheduled this interview."
 - "The system is way cool. You have state-of-the-art brand-new ambulances. You have state-of-the-art brand-new equipment."
 - "They want to put us out of our homes and businesses and destroy two churches, so they can come in and sell furniture?"
 - "I have to move my city forward and renew areas that have fallen into disrepair and into blighted conditions."

3. Have students design and conduct surveys to find out whether most people believe that: 1) Americans pay too much money in taxes; 2) Our government is too big; and 3) Most government programs are ineffective. Guide students to write survey questions that sound neutral rather than biased. Tell them to attempt to interview a variety of people (based on traits such as age, income level, cultural group, and political affiliation). Before they conduct their surveys, students should write hypotheses that predict what their research will reveal. Have students write short essays to sum up the data that they collect.
4. Students may enjoy watching and reviewing the 1939 Frank Capra film *Mr. Smith Goes to Washington*, starring Jimmy Stewart. (They can borrow the movie from a public library or rent it from a video/DVD store.) As students write their reviews, ask them to consider the film's plot, dialogue, casting (choice of actors to play various roles), music, editing (how the different scenes are pieced together), and messages, as well as actors' performances. Reviewers may also want to compare the film's main theme to that of *John Stossel Goes to Washington*. Collect their reviews in a booklet so that classmates can compare their opinions.
5. Have students search the Internet for recent articles, press releases, and editorials on "big government," "government bloat," "pork barrel legislation," and "deficit spending." They can print out the articles and scan them for portions that link Republicans and/or Democrats to expanding government programs. After students read the articles, lead a discussion on the following question: *Do more Democrats than Republicans vote to expand the federal budget, or do the two major parties seem equally responsible for "government bloat"?*

Activities to accompany Chapter 1: Introduction.

6. Have students interview local officials or do Internet research to find out what kinds of local taxes people pay in your community. These might include sales taxes, taxes on businesses, luxury or "sin" taxes, gas taxes, and taxes that help pay for local schools. Each student can report back to the group on a different kind of tax. After each report, students can vote on whether or not the tax seems fair and reasonable.
7. Have students research the history of federal income taxes in the United States and create a timeline and bar graph showing their findings.

Internet sources on this topic include:

- "Taxing Times," a transcript from Online NewsHour on PBS:
<http://www.pbs.org/newshour/bb/economy/tax_history_3-7.html>
- History of the Income Tax in the United States from infoplease.com:
<<http://www.infoplease.com/ipa/A0005921.html>>
- History of the Tax System in the United States from worldhistory.com:
<<http://www.worldhistory.com/ustaxation.htm>>
- IRS History and Structure from the Internal Revenue Service's website:
<<http://www.irs.gov/irs/article/0,,id=98142,00.html>>
- 8. If any students have part-time jobs, invite them to use their paycheck stubs to calculate the percentage of earnings that is deducted from their paycheck each pay period. Have students do library and Internet research to create a glossary on tax terms. Ask them to define terms such as the following:

tax bracket	tax refund
tax return	tax deduction
tax shelter	Social Security number

They might use the following books as resources:

- *Paying Taxes* by Sarah De Capua (Children's Press, 2002)
- *Taxes* by Norman L. Macht (Chelsea House, 2001)
- *Taxes for Dummies 2004* by Eric Tyson and David J. Silverman (John Wiley & Sons, 2003)

Activities to accompany Chapter 2: The Department of the Interior.

9. Have students visit the Interior Department's website and read some of the department's current news releases at <http://www.doi.gov/chnews.html>. Then they might pick one topic to research on the Internet search. Tell them to find out how newspapers' and environmental or conservation groups' versions of the news story differ from that of the Interior Department. Ask students to write essays that contrast different sources' versions. If students have difficulty locating news articles,

tell them that some search engines, such as google.com, have news search functions.

10. Some Native American groups, including the Choctaw people of Mississippi, have established legal gambling casinos and used these as a method of fighting poverty in their communities. Yet many people oppose gambling on moral, religious, or other grounds. For example, some people believe that gambling establishments encourage crime. Have teams of students research this topic and hold a debate on this question: *Is legal Indian gaming more beneficial than it is harmful, or vice versa?* One Internet source might be the following (created by a UC Berkeley researcher):
<<http://www.sims.berkeley.edu/academics/courses/is190-1/s96/abaurrea/assign5.htm>>.

11. Have pairs or individual students each choose a Native American group to research. They should find out where the group's reservation(s) are located, where the people originally lived, how they lived before European soldiers and settlers arrived, how Europeans affected their history, who their heroes were and are, what the tribe's economic state is today, and what its future prospects are. Researchers can share their findings by creating bulletin board displays. Native American tribes include the following:

Apache	Comanche	Miami	Nez Perce	Potowatomi
Arapahoe	Havasupai	Mission	Omaha	Pueblo
Cayuga	Hopi	Miwok	Oneida	Puyallup
Cherokee	Kickapoo	Modoc	Osage	Seminole
Cheyenne	Klamath	Mono	Paiute	Shawnee
Chippewa	Lakota Sioux	Narrangansett	Pawnee	Shoshone
Choctaw	Menominee	Navajo	Pomo	Zuni

Activities to accompany Chapter 3: The Department of Housing and Urban Development.

12. If possible, invite a local HUD representative to class. Students might show the government employee this portion of the DVD and ask him or her to comment. Encourage students to ask questions such as the following:
 - Why do you think so many government-subsidized housing developments have fallen into disrepair? Who is responsible?
 - What are some drawbacks to privatizing low-income housing?
 - When low-income housing is run by private businesses, how are the owners compensated? (Does HUD pay them?)
13. Ask students to imagine that they have bought a large, run-down housing complex in a city center. Tell them to suppose that they have enough money to renovate the complex. Have students brainstorm a list of aesthetic elements and services that could transform this cluster of dilapidated apartment buildings into a community that makes residents feel welcome, safe, and neighborly toward each other, instilling community spirit. They can write a detailed description of their renovated housing development and/or draw a “blueprint” of it. Remind students to redesign the outdoor spaces as well as the indoor ones.

Activities to accompany Chapter 4: Privatizing Public Services.

14. Have students imagine that a private company took over an aspect of your school such as running the cafeteria or teaching the art and music classes. Ask students to think about improvements and problems that this might cause, and write an essay about the pros and cons. Remind them to consider issues such as reactions from parents and workers’ unions, as well as private companies’ need to make a profit.
15. Ask a government workers’ union representative to speak to your class concerning his or her union’s position on privatization. Students might ask questions such as the following:
 - Is your union opposed to privatization? If so, please explain why.
 - In our community, are private companies that take over public services obligated to hire union workers who used to work for the government?
 - What are some benefits that workers get from belonging to a union such as yours? When a unionized business hires a new worker, is that worker obligated to join the union? Please explain how this works.
 - What happens when union workers go on strike? What are some reasons for strikes?

Activities to accompany Chapter 5: When Government Stands in Charity’s Way.

16. Have students call local charities and ask to speak with directors concerning the pros and cons of government regulations. They might ask questions such as the following:
 - Who or what funds your charity? Do you get any money from local, state, or federal government grants?
 - What are some of the government regulations that your charity must follow?
 - Do you know of any instances in which government regulations helped charities to do their work or protected workers or clients from harm? Please tell what happened.
 - What could the government do to help your charity function even better?
 - Do you agree with the following statement? “When something good is happening [at a

charity, government should just], step out of the way." Please explain why you agree or disagree.

17. Have students research volunteer work that they might be able to do in your community. Encourage them to find a charity or other volunteer program that interests them and will give them an opportunity to learn something new. If some students are already working as volunteers, have them give short oral presentations telling what they do, whom they help, and how they feel about their work. Inform students that some college admissions departments look for applicants with volunteer experience as well as high grades and test scores. Volunteering is also a way to make new friends and broaden one's perspective.

Activities to accompany Chapter 6: When Government Uses Force/Summing Up.

18. New Rochelle's mayor tells John Stossel that he wants to "move [his] city forward and renew areas that have fallen into disrepair and into blighted conditions." Have students write polite letters to the mayor of New Rochelle explaining their opinions of his plan to tear down a neighborhood in order to make room for an IKEA furniture store.
19. Encourage students to hold a discussion on the following questions, after doing relevant research: *Would John Stossel and Professor Tibor Machan consider the war in Iraq an appropriate use of force? Do you think this war was justified? Compare the Iraq war that began in 2003 to the war in Afghanistan that followed the 9/11/2001 terrorist attacks and to the Gulf War, which the U.S. fought in 1991 under the first President Bush. What do you think Stossel and Machan would say about each? Could any of these conflicts be called "protecting our borders"?*

Internet Resources

If you have access to the Internet, here are some sources of information on issues that John Stossel discusses on the DVD:

The Delancey Street Foundation

Delancey Street is the successful mutual-aid society that John Stossel visits. Its website provides details about Delancey Street's clients and businesses.
<<http://www.eisenhowerfoundation.org/grassroots/delancey/index.htm>>

Habitat for Humanity

Like Delancey Street, Habitat for Humanity is a mutual-aid society. Its mission statement explains that "through volunteer labor and donations of money and materials, Habitat builds and rehabilitates simple, decent houses with the help of the homeowner (partner) families. Habitat houses are sold to partner families at no profit, financed with affordable, no-interest loans. The homeowners' monthly mortgage payments are used to build still more Habitat houses." Major supporters of the program, Former President Jimmy Carter and his wife Rosalynn actively participate in Habitat projects.
< <http://www.habitat.org>>

The Department of Housing and Urban Development

HUD's website presents detailed information on the Department's various housing programs.
< <http://hud.gov/>>

The Interior Department

The DOI's website presents historical information and current news releases on the Department's various programs and agencies, including the Bureau of Indian Affairs.
<<http://www.doi.gov/>>

Activity #1: Response Chart

As you watch *John Stossel Goes to Washington*, use the second column of the chart to record your reactions to the information John Stossel reports, as well as the opinions and conclusions that he and others express. Also jot down any questions that come into your mind as you view the show.

Topic That John Stossel Discusses	Your Own Opinions, Feelings, and Questions
An average American's tax burden	
The U.S. Department of the Interior	
The Bureau of Indian Affairs	
Housing for low income families—government-run and privately-run projects	
Privatization of public services such as water systems, highways, air traffic control, and ambulance services	
Government regulation of private charities and "mutual aid societies"	
"Eminent domain"—government's ability to take over private land	
Government's use of force in other countries	