

# To Congress: First, Do No Harm

**P**undits have lately been declaring the 112th and 113th Congresses the “least productive” in recent history, pointing to the fact that they passed fewer than 600 laws between them. One leading writer even called the 113th “by just about every measure, the worst Congress ever,” surely overlooking the Congresses that passed, for instance, the Fugitive Slave Act, the Indian Removal Act, the internment of the Japanese Americans, Prohibition, conscription, or indeed, the income tax. In “**Policy Priorities for the 114th Congress**” (White Paper), Cato’s scholars take a different view. They propose that passing more laws—more mandates, bans, regulations, taxes, subsidies, boondoggles, transfer programs, and proclamations—is at best a dubious accomplishment. In fact, given that the

American people pondered the “least productive Congress ever” twice, and twice kept the government divided between the two parties, it just might be that most Americans are fine with a Congress that passes fewer laws. The Cato Institute stands firmly on the bedrock American values of individual liberty, limited government, free markets, and peace. Throughout its 38 years, Cato’s scholars have been willing to criticize officials of both parties when they sought to take the country in another direction—and have been pleased to work with officials of both parties when they seek to expand freedom or limit government. In this paper, various scholars outline practical steps that Congress and the administration could take in the next two years in that direction—reforms of health care, financial regulation, taxes, surveillance, marijuana policy, civil

asset forfeiture, war powers, immigration, transportation, and more.

## THE BITTER TASTE OF U.S. SUGAR

For decades, political support for the U.S. sugar program has been underpinned by the general sense that the costs of producing



sugar in this country are quite high relative to prices prevailing in world markets. Thus, the elimination of government support would lead to the certain death of the sugar industry. In “**Toward Free Trade in Sugar**” (Policy Analysis no. 768), Daniel R. Pearson, a senior fellow with the Cato Institute’s Herbert A. Stiefel Center for Trade Policy Studies, reviews the

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recent history of U.S. government intervention in sugar markets from the time price supports were reestablished as part of the 1981 farm bill. “Since then,” he writes, “sugar has been subject to a higher degree of government control than any other major agricultural commodity.” Among the consequences of those protectionist policies have been higher incomes for U.S. sugar growers, expanded domestic production, reductions in imports from traditional suppliers, increased trade frictions, U.S. unwillingness to provide meaningful sugar market access during trade negotiations, higher costs to consumers, and transfer of confectionary manufacturing capacity away from the United States to countries with more open and competitive sugar markets. The paper concludes with a discussion of the primary alternatives for ending U.S. sugar protectionism. “The best approach may be to set an example for the world by enacting unilateral reforms, then use the resulting moral leverage to build momentum for multilateral liberalization,” Pearson writes.

### EXTENDING ONLINE MEDICINE

The Internet revolution has been disrupting traditional industries for years by enabling online provision of various services. The first industries to convert have been digitized media services, such as journalism, music, and videos. But less obvious candidates for online provision are emerging. One of these is telemedicine, which is the delivery of health care services from one site to another via electronic communications. “As medical treatment moves online, the potential for treating patients across borders grows,” Simon Lester, a Cato trade policy analyst, writes in “**Expanding Trade in Medical Care through Telemedicine**” (Policy Analysis no. 769). In the United States, medical treatment has typically been segregated along state lines. With the ease of access between patients and doctors in different jurisdictions, however, this is beginning to

change. “Regulations will need to be adjusted to allow interstate trade so that consumers can reap the benefits,” Lester adds. Similarly, at the international level, governments should adapt their national regulations to allow trade in these services. This can be done, in part, through a number of ongoing trade negotiations that address barriers to trade in services, including the Trans Pacific Partnership, the Transatlantic Trade and Investment Partnership, and the Trade in Services Agreement negotiation. By using these trade negotiations to remove barriers and promote more international trade in medical services, Lester concludes, governments can bring new competitive forces to a sector that has traditionally been characterized by an oligopolistic structure.

### DISENTANGLING PETROSTATES

In what the Obama administration describes as a “years-long” coalition effort to “degrade and destroy” ISIS, the United States has reentered conflict in the Middle East. The White House heralds its close cooperation with Arab allies, including a number of petrostates such as Saudi Arabia and Qatar, describing their cooperation as vital to the success of the campaign. Yet, as Cato visiting fellow Emma Ashford argues in “**Friends Like These:**

**Why Petrostates Make Bad Allies**” (Policy Analysis no. 770), petrostates are unlikely to be good allies for the U.S. campaign in Iraq and Syria. According to Ashford, the reliance of those countries on oil and gas revenues distorts both foreign policy decisions and their implementation. “First, petrostates have weak foreign policy institutions, producing policy that is of poor quality and strongly driven by personalities,” she writes. “Second, the vast flow of oil income enables the states to



back nonstate actors in conflicts, but their weak civil service cannot control the flow of arms or funds. Third, oil income also enriches private citizens, some of whom directly fund terrorist organizations such as ISIS.” As allies, petrostates are especially likely to draw America into unnecessary and intractable conflicts. In particular, Ashford concludes, Washington should largely disentangle itself from the Saudi alliance and from reliance on Saudi intelligence and diplomatic services. Keeping Saudi Arabia at arm’s length will help to minimize involvement in Middle East conflicts that are not vital to U.S. interests. ■

## Regulation Magazine: Why Are Oil Prices Falling?

In the Spring 2015 issue of *Regulation*, economist Pierre Lemieux argues that the recent oil price decline is at least partly the result of increased supply from the extraction of shale oil. The increased supply allows the economy to produce more goods, which benefits some people, if not all of them. Thus, contrary to some commentary in the press, cheaper oil prices cannot harm the economy as a whole. Also in this issue, Shirley Svorny describes how state medical licensure boards do very little to discipline doctors who cause medical errors, Christina Sandefur examines questionable legal maneuvering by states to implement aspects of the Affordable Care Act, and Henry Miller shows that the regulatory pathway for most biologic drugs won’t have a large effect on burgeoning health care costs.

