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## Can Alexandria Ocasio-Cortez's Ideas Actually Work?

BY VICTOR SAADEH ON MARCH 5, 2019 • ( LEAVE A COMMENT )

**The freshman Representative from New York has drawn attention for her bold policy proposals, but little has been said about whether or not her policies are effective.**

It is no easy task making headlines as a freshman Representative in Congress, let alone a 29-year-old Puerto Rican woman. And yet, Alexandria Ocasio-Cortez has done just that. In a profession dominated by middle-aged white males (<https://www.businessinsider.com/changes-in-gender-racial-diversity-between-the-115th-and-116th-house-2018-12>), Ocasio-Cortez has seized the spotlight from her older, more experienced counterparts. But not just her age and race have attracted such prolonged attention from major media outlets and citizens alike. Rather, her outspoken support for policies once deemed too far left for any successful politician has given her a national following.

Ocasio-Cortez first attracted America's attention after defeating her primary opponent — 10-term incumbent Joe Crowley — in a decisive manner (<https://www.politico.com/story/2018/06/26/new-york-primary-election-results-2018-updates-677637>). Onlookers, including House Democrats themselves (<https://www.npr.org/2018/06/27/623876336/house-democrats-reeling-after-crowley-upset-by-long-shot-challenger>), were bewildered as to how a spunky Latina Democratic-Socialist could unseat the fourth-ranking House Democrat. While the shock gradually subsided, the focus remained on her Democratic-Socialist identity, generating both intrigue (<https://www.newyorker.com/magazine/2018/07/23/alexandria-ocasio-cortezs-historic-win-and-the-future-of-the-democratic-party>) and fear (<https://www.vox.com/explainers/2018/8/20/17674910/conservatives-republicans-ocasio-cortez>

democratic-socialist-2018-midterms). This attention only intensified in the aftermath of the 2018 midterms, when it became impossible to avoid the reality that Ocasio-Cortez was an up-and-coming face of the Democratic Party.

Ocasio-Cortez's immediate influence over voters stoked fear among Democrats and Republicans alike. Members of both parties tried to deface Ocasio-Cortez's image only to be met with snarky comebacks and undeniable facts. The majority of these attacks targeted her policies, most notably her proposed 70 percent marginal tax rate on the wealthy, in an effort to associate her with **largely unpopular**

(<https://content.gallup.com/origin/gallupinc/GallupSpaces/Production/Cms/POLL/pax6tzkzsuu0aoizdj9rnw.png>) socialist policies. These attempts have mostly failed, and with the left trending toward a **more socialist-friendly platform**

(<https://fivethirtyeight.com/features/the-young-lefts-anti-capitalist-manifesto/>), attacks in this vein will likely continue to fall flat.

There is no doubt that Ocasio-Cortez's platform has already influenced the policies of other party leaders, but there has been little focus on the viability of her proposals. Many of Ocasio-Cortez's ideas have been or are currently implemented either in the United States or in other countries, with varying degrees of success.

## The Green New Deal

### What does the policy propose?

The Green New Deal is the Democratic effort to combat the progression towards **irreversible damage**

(<https://www.theguardian.com/environment/2018/oct/08/global-warming-must-not-exceed-15c-warns-landmark-un-report>) to our planet, recently **aided**

(<https://www.nytimes.com/2019/01/08/climate/greenhouse-gas-emissions-increase.html>) by the Trump administration. While this is not originally Ocasio-Cortez's idea, she has recently been a prime advocate for the policy, with her and Senator Ed Markey recently **unveiling legislation** (<https://www.cnn.com/2019/01/31/politics/green-new-deal-bill-alexandria-ocasio-cortez/index.html>) for Congress to debate upon.

The Green New Deal aims to rid the U.S. economy of carbon-emitting sources of energy. In other words, the deal wants to “decarbonize” the economy. This can be done through large investments in the energy sector pertaining to clean energy jobs and infrastructure. The goal would be an efficient transition to renewable energies, such as wind and solar, handled by a special committee created by the legislation. According to Ocasio-Cortez's **2018 campaign website** (<https://ocasio2018.com/issues>), she would aim to have the U.S. 100 percent free of fossil fuels by 2035.

In some iterations of the Green New Deal, most notably that of the **Green Party's** ([http://www.gp.org/green\\_new\\_deal](http://www.gp.org/green_new_deal)), there is also language pertaining to economic equality, public education, and other additional topics. While an

ambitious Green New Deal may include some of that language, it is unclear to what extent an Ocasio-Cortez/Markey bill would include these goals.

## Has a policy like this worked before?

While this is the most attention this initiative has ever received, it is certainly not the first time a deal like this has been created. Originally coined in 2007 (<https://www.nytimes.com/2007/01/19/opinion/19friedman.html?mtrref=www.vox.com&gwh=EF0B23B837C4007D01CC7B3881144D39&gwt=pay>), Barack Obama included ([https://www.huffingtonpost.com/entry/green-new-deal\\_us\\_5b3146c3e4b0b5e692f0912e](https://www.huffingtonpost.com/entry/green-new-deal_us_5b3146c3e4b0b5e692f0912e)) the concept in his 2008 campaign platform, with UK policymakers coming across the idea in the same timeline. With elections at the time putting political opponents in power, the Green New Deal never had a chance to be implemented, but the idea was not dead. The idea resurfaced in the 2016 Green Party campaign of Jill Stein (<https://www.jill2016.com/greennewdeal>), as well as in Bernie Sanders' (<https://www.politico.com/story/2016/01/bernie-sanders-health-plan-217906>) campaign, and eventually fell to Ocasio-Cortez today.

The Green New Deal itself has never become a law. However, there are similar laws and agreements that have been enacted that can give us an idea of how the Green New Deal could perform. An obvious comparison would be the Paris Climate Agreement. The agreement (<https://unfccc.int/process-and-meetings/the-paris-agreement/the-paris-agreement>) does not include any penalties for countries failing to meet their self-set goals, but it still contains similar goals and language that would appear in a potential Green New Deal. The European Union has also enacted similar legislation in the efforts towards becoming a low-emission continent, seeking varying levels ([https://www.cleanenergywire.org/sites/default/files/styles/gallery\\_image/public/figure\\_1-share\\_of\\_energy\\_from\\_renewable\\_sources\\_2004-2016.png.jpg?itok=VRRhmskh](https://www.cleanenergywire.org/sites/default/files/styles/gallery_image/public/figure_1-share_of_energy_from_renewable_sources_2004-2016.png.jpg?itok=VRRhmskh)) of emission reduction from country to country.

Both of these examples carried plenty of ambition, but the results have been mixed. Participating nations have been struggling (<https://www.cleanenergywire.org/news/ministry-projections-highlight-risk-germany-missing-emissions-goal>) to meet their goals, and the efforts that have been made do not seem to be enough to reverse catastrophic damage, despite some European countries already meeting their 2020 goals. Global emissions plateaued for a few years, but they are on the rise again (<https://www.scientificamerican.com/article/co2-emissions-reached-an-all-time-high-in-2018/#googDisableView>) due to increased coal use from nations like China, India, and the United States.

The outlook remains bleak for the health of the planet, but it does not necessarily mean that the Green New Deal would be futile legislation. The aforementioned examples have increased levels of accountability for each country to reduce emissions, and it is no coincidence that our rise in emissions coincides with the US departure from the Paris Climate Agreement; a new environmental initiative can help reverse this troubling trend.

The Green New Deal presents the best opportunity to simultaneously modernize our energy infrastructure, reduce emissions, and help us catch up with other countries attempting to do the same, despite a potentially hefty price tag **north of \$2 trillion** (<https://thehill.com/policy/energy-environment/417843-five-things-to-know-about-ocasio-cortezs-green-new-deal>). Like other past initiatives, the success of this potential deal hinges on our own ability to live up to the goals it sets.

The United States has rallied behind **large spending initiatives** (<https://www.stlouisfed.org/on-the-economy/2017/may/which-bigger-2009-recovery-act-fdr-new-deal>) in the past, and possesses similar technological capabilities as its European counterparts attempting to accomplish the same tasks. Whether or not the United States can rally again largely depends on what party will lead the country after the 2020 election. Were the country to elect Democrats to office, they, as well as the increasing urgency to prevent further damage to our planet, would give the Green New Deal a healthy chance at realizing its full potential riding a wave of support from a Democratic Congress and its constituents. However, a GOP led country would greatly diminish any chance for the Green New Deal to fully manifest, due to lax regulations under President Trump as well as minimal support from GOP congressmen.

## Medicare-for-All

### What does the policy propose?

Medicare-for-All, a policy that has gained traction in recent months, is a healthcare format where citizens would get their health insurance from a single government plan. There are a few different iterations of this format, with the **main discussion point** (<https://www.cnn.com/2019/01/29/politics/medicare-for-all-polling/index.html>) being whether or not private insurers should be completely eliminated as an option. Regardless, the final product would likely result in higher taxes in exchange for a national government-administered health plan.

Details vary from politician to politician, but the concept, once reserved for the far left and democratic socialists like Bernie Sanders, has gained traction among Democratic politicians and citizens alike. Prominent 2020 presidential candidates like Kamala Harris, Beto O'Rourke, and Julian Castro have all supported the policy, and because of its introduction into mainstream politics it would likely be enacted into law should a Democrat take the office of president in 2020.

Ocasio-Cortez has been an ardent supporter of Sanders' Medicare-for-All proposal, her having served as a campaign organizer for him in 2016, and remains one of its most vocal supporters. As her 2018 campaign website states, she supports the inclusion of full vision, dental, and mental health insurance in addition to the base coverage of Medicare.

### Has a policy like this worked before?

Quite notably, the United States is the only developed country

(<https://www.theatlantic.com/international/archive/2012/06/heres-a-map-of-the-countries-that-provide-universal-health-care-americas-still-not-on-it/259153/>) without a universal health care format implemented. With this said, it is safe to say this format of healthcare has been well tested.

In comparison to these countries, the United States does not bode well. Stacked against the other thirty-five countries in the Organisation for Economic Co-operation and Development, the United States government spends **more per person** ([https://rendezvous.blogs.nytimes.com/2012/06/28/u-s-health-care-costs-more-than-socialized-european-medicine/?](https://rendezvous.blogs.nytimes.com/2012/06/28/u-s-health-care-costs-more-than-socialized-european-medicine/?mtrref=www.theatlantic.com&gwh=DF932B989DEA7D9F40C9059911291718&gwt=pay)

[mtrref=www.theatlantic.com&gwh=DF932B989DEA7D9F40C9059911291718&gwt=pay](https://www.theatlantic.com&gwh=DF932B989DEA7D9F40C9059911291718&gwt=pay)) on health care than all but two, and ranks **43rd** (<https://www.cia.gov/library/publications/the-world-factbook/rankorder/2102rank.html>) in the world in life expectancy at birth. Over **70 percent** (<https://news.gallup.com/poll/226607/news-americans-satisfaction-healthcare.aspx>) of the American public says (<https://www.reuters.com/investigates/special-report/usa-election-progressives>) that the current health care format “has major problems.”

All of this does not necessarily mean that a universal health care system is perfect. A system regulated by the government can result in a **large amount of government spending** (<https://www.politico.eu/article/troubled-italian-health-system-frustrates-doctors-drugmakers-2/>), **poor quality** (<https://www.politico.eu/article/uk-prescribes-local-politicians-to-cure-the-nhs/>) of jobs or services, and **limited ability** (<https://www.politico.eu/article/europe-health-care-systems-on-life-support-special-report-drug-pricing-medicines-public-services/>) to find a balance between the government saving money and pharmaceutical companies making a profit.

There are plenty of potential pitfalls in a poorly maintained universal health care system, yet it is clear that it is the system of choice for developed countries, and **American citizens** (<https://thehill.com/policy/healthcare/403248-poll-seventy-percent-of-americans-support-medicare-for-all>) as well. There is a more than sufficient sample size of cases that reinforce the notion that a system akin to the one proposed by Ocasio-Cortez and other prominent Democrats could function well in the United States.

## 70 Percent Marginal Tax Rate

### What does the policy propose?

Perhaps the most controversial of her policies, Ocasio-Cortez has proposed a **70 percent marginal tax rate** (<https://www.vox.com/polyarchy/2019/1/11/18178515/70-marginal-tax-rate-ocasio-cortez>) on all income over \$10 million. With the current tax rate set at **37 percent** (<https://www.nerdwallet.com/blog/taxes/federal-income-tax-brackets/>) for all income over \$500,000, this proposal almost doubles the current rate under the GOP tax law passed at the end of 2017.

### Has a policy like this worked before?

While the GOP and other critics have painted this number as unrealistic and radical, there are plenty of examples where a tax rate of 70 percent or higher has been successfully implemented. Look no further than **Sweden**

(<https://www.bloomberg.com/news/articles/2019-01-09/hysteria-around-a-70-tax-rate-gets-a-reality-check-in-sweden>) for a prime example. With a tax rate of 69.7 percent on income above \$79,000, a drastically lower income than the one proposed by Ocasio-Cortez, Sweden simultaneously taxes more than the U.S. and quells all fears pundits have about a highly taxed workforce. In the face of concerns regarding an unmotivated workforce and stifled economic growth, Sweden outpaces the United States in both employment rate and economic growth for the decade.

A high marginal tax rate has also enjoyed success in the United States. In the mid-1900s the tax rate reached as high as **90 percent** (<https://mises.org/library/good-ol-days-when-tax-rates-were-90-percent>) under the Eisenhower administration. Even in the aftermath of Ronald Reagan's massive tax cuts, the top bracket remained at 50 percent. Both presidents enjoyed **success** (<https://www.usnews.com/news/blogs/data-mine/2015/10/28/which-presidents-have-been-best-for-the-economy>) with their economic policies, and with income inequality reaching record highs, a higher top bracket would appear to make sense.

Contrary to the claims of a 70 percent rate being too far left or unsustainable, precedence shows that it is far from taboo. Democratic and Republican politicians alike have advocated for rates higher than 70 percent in the past, and while a higher marginal tax rate will not solve all of the problems concerning taxing the wealthy, both current and past examples suggest it would perform well in the current economy.

## Takeaways

### **Ocasio-Cortez's proposals are not as radical as you think.**

Much effort has been made to associate the aforementioned ideas with an extremely left, socialist agenda, but the reality is these policies have had more than their fair share of time in mainstream international politics. While they have lacked strong presence in recent American politics, these ideas have existed for quite a while, and their resurgence in American politics has less to do with manipulation by young, socialist politicians and more to do with a flawed health care system, increasing inequality, and a planet edging towards catastrophe. The increased support for some or all of these policies from more moderate Democrats, Independents, and even some Republicans, shows that these ideas resonate with American citizens and deserve a place in the space of mainstream ideas.

### **Each of these policies can work, under the right conditions.**

Plenty of cases can be cited in support or opposition of each idea, and an important thing to remember is that these policies would be implemented in an extremely different context. Each idea has little to no experience in the

modern age of American politics, and the performance of each one depends on how Congress itself decides to nurture or undermine them.

A supportive Congress, or lack thereof, can make a drastic difference in the performance of the aforementioned laws. These policies all involve extensive government involvement, and how the government chooses to move forward with each idea can determine its resounding success or utter failure.

Alexandria Ocasio-Cortez will no doubt remain at the forefront of the nation's political radar due to her bold proposals and indifference to confrontation. In the midst of all of her media coverage, it is important to recognize her platform as one not of outlandish proposals, but one of substance that could very well define the next decade of American policy. Regardless of whether or not you support her, Ocasio-Cortez and her ideas are here to stay, and it is up to the American people and Congress to decide whether or not she can see her policies through.



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