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According to John Brummett, Democratic gubernatorial candidate Mike Beebe, like a good corporate liberal, will take corporate welfare out of the hands of good ol' boys and put it in the hands of competent professionals. Under the present system, the General Improvement Fund (the state revenue surplus) is divvied up among legislators for pet local pork-barrel projects:

> One old boy will use his cut for street lights back home. Another legislator will give hers to the local rodeo. There's no accountability or pre-audit, much less any requirement for local matching money.

Beebe, in contrast, proposes this "reform":

> Off the very top, meaning before money gets either to the governor's or the Legislature's half, he would set aside $40 to $50 million in a governor's largely discretionary economic development superfund. From this fund, the state could act more

> quickly to match other states in providing specific training programs or infrastructure projects either to keep an existing employer or lure a new one.

In other words, the state of Arkansas competes with other states to see who can pay the biggest bribes to private business concerns, offering to make those businesses more profitable at taxpayer expense, by underwriting operating expenses that those businesses should be shouldering themselves as a normal part of doing business. Please explain to me: why is it more reprehensible for a single mom to complain she can't make ends meet and support her kids without food stamps or welfare, than for a corporation to whine that it can't make a profit without sucking on the taxpayer tit?

Besides the inequity of giving a particular company a competitive advantage, special subsidies to transportation and technical training also skew the market as a whole in unnatural directions. It's a basic law of economics that when you subsidize something, more of it is consumed; and subsidies to a particular factor of production subsidizes those firms that rely most intensively on it at the expense of those who do not. Transportation subsidies promote the concentration of capital by subsidizing the companies most dependent on long-distance shipping, making them artificially competitive at the expense of small companies producing for local markets. Subsidies to technical education subsidize the cost of reproducing scientific-technical labor power, and thus skew the market toward more capital- and skill-intensive forms of production.

So for decades, we've had massive government intervention in the market, promoting economic centralization and corporate size far beyond the largest conceivable economy of scale. We've had similarly massive intervention promoting capital-intensive production, deskilling of labor, steep internal job hierarchies, and the shifting of control of production from the shop floor to white collar engineers. In short, the government

has intervened in the market on a huge scale to reduce the bargaining power of labor and to promote downsizing of well-paid blue collar workers. The two-tier labor force is a creation of state capitalism.