

Legislation without Representation: America's New Revolution

A Philosophical Discussion of Effective Government

Find out what happened in 1929 that permanently altered the House of Representatives in contradiction to the intent of the framers of the U.S. Constitution. In this thought-provoking interview, Glenn Neely discusses a little-known, yet viable, solution that could fix many of the problems plaguing American government.

Interviewer: I'm Patrice Rhoades-Baum. We're talking today with Glenn Neely, a premier Elliott Wave analyst and founder of NEOWave, Inc. and the NEOWave method of trading and forecasting. Glenn, thank you very much for being here today.

Glenn Neely: Hi, Patrice. I appreciate you doing this interview with me. I've been looking forward to this for a long time.

Interviewer: Excellent. I understand that we're going to have a complete departure with our topic today. Our topic is "What's Plaguing America? A Philosophical Discussion of Effective Government." Glenn, you've been thinking about this for a while. What are you thinking about regarding effective government?

Glenn Neely: This has been a topic that has plagued me for a long time. I wonder why the U.S. government is not working well. Most people complain about the lobbyists, Washington not listening to them, and corporations having too much influence over politicians and the political and lawmaking processes. I've studied this for a long time. A couple of years ago, I finally came across information that I haven't heard anybody ever talk about on television for my entire life. It is based on a very subtle but interesting event that happened back in the 1930s.

The more I read about it, the more I realized that this was really the problem why things aren't going the way the majority of people would like them to go. This is not a Democratic or Republican issue, or a party issue at all. It's a "better government for the people" issue.

I thought it was time to talk about this. I've been writing on it for a while, but because I take so long to get things properly written because I worry about every word used, I decided an interview might get the information out sooner. In the current political environment, I felt there might be greater interest to do it now rather than later.

Interviewer: There are a lot of different issues out there, like whether large corporations and lobbyists have too much power. Clearly, voters feel disaffected and disenfranchised.

Glenn Neely: They feel their vote doesn't count.

Interviewer: Yes. You were saying the specific idea that you want to introduce and really get us to start thinking and talking about specifically revolves around better government for the people.

Glenn Neely: It's for everyone, not for any particular political group. If we go way back in time, it was back in 1773 that America went through its Boston Tea Party revolt. That was based on taxation without representation and complaints that British colonists didn't have any say in laws that we had to follow. That started the whole process of America becoming America and led to the eventual creation of the U.S. Constitution in 1787 that formed the United States.

Everything worked great for a while. The Constitution was extremely well designed. It really controlled the power of government. It gave the people a great say in how the country was run. That worked for a really long time, but one little change took place between 1929 and 1931. Congress decided to do something that nobody talked about. It was an internal decision. It was not actually against the Constitution, but it wasn't the intent of the framers of the Constitution. The decision was to halt the number of people that would be allowed in the House of Representatives at 435. It has stayed that amount ever since.

We've had this very slow and insidious process that is almost outside of the realm of observation because it has taken place over nearly 100 years. The population of the United States has continued to grow way beyond what it was in 1930, but the number of people representing the population has stayed the same.

Interviewer: The founders of our country put together the Constitution. We have a nation based on representation. As the population of our country has increased since 1787, the number of representatives in the U.S. House of Representatives was increasing as well.

Glenn Neely: That's right.

Interviewer: There was a specific ratio that was increasing, so the number of representatives over that first 150 years or so would continue to increase proportionately to the population.

Glenn Neely: Absolutely. That was the intent of the founding fathers. If anyone listening to this looks at the Constitution, Article 1, Section III suggests that there should be one representative for every 30,000 people in the general population.

They also recommended that it would not exceed 50,000 or 60,000 to avoid disenfranchisement of the population where votes would begin to not count after a certain level when one person would be representing too many. The president represents everyone and a senator represents half of all the people in his or her state, because there are two per state. The fewer people in the House compared to the general population, the more power that representative has.

The actual number of people in the House began to increase around 1843 and has been increasing pretty much ever since, but it didn't reach a point where it was inconsistent with the Constitution or way out of balance until the 1930s. That's when the size of the House of Representatives was maxing out on the number of people the building could physically hold. They just decided to cap it, probably not understanding what that was going to mean over the next 80 years as the population in the U.S. exploded.

Interviewer: Our population has been growing leaps and bounds, whereas the House of Representatives, which is specifically set up to represent us, was capped at 435 in the early 1900s. What does that mean in terms of how many people are being represented by our official elected politicians?

Glenn Neely: Our population was around 100 million around the time of this law change. It has more than tripled since then. Even around 1930, the number of representatives in the House was far less than one per 30,000. It slowly degraded from about 1843 to 1930. More people were represented by fewer people in the House, but then they decided to cap it. They completely disconnected from the recommendation in the U.S. Constitution.

There is no comparison between what the founders intended and what we have now. We almost have a parliament with very few people representing a whole bunch of people. Then we have the Senate, which is elitist because it's just two people representing an entire state. Their purpose is more to represent the state's interest, not the people's interest. The House is there to initiate laws and reflect the majority's desires. Right now you have one person in the House per every 700,000 U.S. citizens.

Interviewer: The framers of the Constitution said that ideally it would be one representative for every 30,000 people, but no more than 50,000 to 60,000. What we have now is one representative for every 700,000 people, on average?

Glenn Neely: That's right. In addition, states like Montana do because you can't divide a person into two parts do only have one person in the House of Representatives, representing 1 million people. Montana actually has more people in the Senate than in the House of Representatives.

The whole intention was to have a much larger number in the House so that all the laws would be created only when a majority of the people in the country wanted a law to be passed. After that majority won something, then they could pass it to the elite category, which would be more focused on the state, which would be the Senate. Then they could say, "We agree."

As it stands now, so few people are in the House of Representatives per the general population, they become bribable. Let's say that half the people in the House want to vote yes for something and half want to vote no. If you're a lobbyist, you only have to go lobby a few people and pay them money, wine and dine them or whatever they might do to get enough to switch over to your side to get something passed.

If you're a representative and you want to make a deal with another person because you really want a law passed, you can just walk across the hallway in the House of Representatives or go to their offices and make deals with people to get laws passed that the majority doesn't want. That's where all the problems started. It has been a slow, insidious, destructive process for over 80 years.

Interviewer: There are two main points that I'm hearing. One is that individual people are not being represented at the level that the framers of the Constitution initially wanted. They were saying one representative for approximately 30,000 people and no more than 50,000 to 60,000 people.

And, second, due to population growth do and because the house capped the number in 1930 do the population represented is, on average, 700,000 people. In Montana's case, 1 million people only have one person representing them in the House of Representatives. What I'm hearing as a major issue is this: *How is it possible for one representative to fully and appropriately represent 700,000 people?*

Glenn Neely: Yes. It's impossible.

Interviewer: We have 435 people in the House of Representatives. What I'm hearing is because there is a relatively small number, lobbyists and people in power possibly have more sway and more ability to influence our representatives than those of us who are supposed to be represented.

Glenn Neely:

Lobbyists wouldn't even exist if it wasn't for the current structure of the House of Representatives, because there would be no benefit. If we were still following the framers' recommendation of one per 30,000, the House of Representatives would currently be over 10,300 based on the approximate population of the U.S. in 2011. There's no lobby in the world that could visit all those 10,000-plus people quickly enough to get any laws passed that they wanted, nor would they have enough money to bribe 10,000 people.

That would immediately start to deconstruct the power in Washington, D.C. The lobbyists would begin to leave, because it would be too expensive and time consuming to visit, chat with and try to influence 10,000 people. Any small organization would certainly have to leave. Because the money and lobbyists would begin to leave Washington, the actual representatives would have to also leave, because there wouldn't be any advantage for them to stay in Washington.

Most representatives stay in Washington for the majority of the year. They're only in their own state for portions at a time, because all the money and power is in Washington.

If the lobbyists and money was gone, the corporations no longer could apply their influence, and the rich and powerful and maybe even the criminal elements couldn't scare people into doing what they wanted, because there'd be too many people to try to influence, all these people would begin to leave. If they leave, then the representatives would just go back home. If they go back home, then you and I can actually talk to them and have our say. If one person is representing 30,000 people or so in their own community, they could get a pretty good idea of what that community specifically wanted.

Thirty thousand people might be the size of a small town or a big neighborhood in New York City, but it'd be easy for anyone who is passionate about something really important to go see their representative in person in their own district and have their say.

The representative would be able to have town hall meetings and local events to find out what people in their district want. Then that person could truly represent the public. When one person has too much power now, what are you going to do if you're a representative? Even if 90% of your constituents want something to happen but somebody offers you \$1 million to vote the other way, what are you doing to do?

Interviewer:

Glenn, your main point here is that we have a really different way of looking at how the House of Representatives is structured and the number of representatives that there would be based on the fact that for each little

group of 30,000 people, there would be a person in the House of Representatives representing us. Your point is, they'd certainly be more in touch with the voters and much more representative of what we want.

Glenn Neely: Yes, they would represent localized needs. Every city might have waterworks or financial problems, but the issues would be very important to those local people, issues that may have no importance to somebody in another state. The person representing would be very in touch with that group and their interests.

That group would know how the representative is voting, because they would be the ones telling him how to vote. If he doesn't vote the way the 30,000 wants him to, then they can easily get rid of him next time. Now you're in a situation where it's impossible for one person to represent 700,000 or a million people.

The bribery and corruption elements and the lobbying factor cannot take over. They're not in Washington DC. They can't talk to them or meet with them. They don't have any idea what's going on.

This change in representation is not changing what was intended. It's *going back* to what was intended. We would just be reverting back to the original intent of the founding fathers. This would solve an enormous number of problems.

Have you ever heard of the concept of gerrymandering?

Interviewer: Yes, absolutely.

Glenn Neely: Gerrymandering exists because we don't have enough representation. New York, a state of 19 million people, currently has 27 people in the House of Representatives. If it was based on the 30,000 rule, they would have 647. Just the state of New York would have more people in the House of Representatives than the entire House and Senate for the entire country. That's just one state.

If you divided New York into 647 districts, the idea of gerrymandering would become useless. You wouldn't have these committees to divide up states. It would be very simple. It doesn't matter. You could have an extra 10 in one section and an extra 10 in another. The gerrymandering would come to an end. That would just be one of the many aspects that would be fixed from this process.

Interviewer: The one major burning question that I have puts it back in context with the framers of the Constitution. In 1787, we were a very rural society. Since then, we have become an extremely urban society. They could never have

foreseen the population explosion and the addition of all these states that we have. We have a massive population, and our nation is different than what they had envisioned. Let's say that we are able to go back to what they envisioned. We have the benefits of every 30,000 people having a representative. You mentioned the number earlier of 10,000 representatives. My major burning question is how is that even possible to have a House of Representatives with 10,000 representatives?

Glenn Neely:

They wouldn't all be in Washington, D.C. at the same time, and they shouldn't be. We should really not think of Washington, D.C. as the seat of government anymore, because that is a centralized power perspective, which is not what the founders intended at all.

Their whole point was to limit the size of the national government, not let it explode and control every issue of our lives the way it practically does now. The voting would be more localized. An idea has been introduced of having four districts or more for the entire country. There'd be not just one Washington, D.C. There might be four, five or six seats of government all around the country. It would automatically decentralize the power.

If there has to be an in-person vote, then the people in each area can just go to their local seat of government, instead of having to fly to Washington like they do now. It doesn't have to be that everyone must go to Washington. That actually makes the country more susceptible to terrorist attacks and things like that. Having this decentralization and having representatives stay in their own areas and districts would reduce the terrorism threat to America.

There are so many advantages to this process. The representatives could easily vote over the Internet. There's no reason not to seriously consider making this happen. I think it's the only way that Americans could really take control of their lives and the lawmaking process and make sure that corruption stops in Washington, and the lobbyists all leave, and the power structure moves back to the states and local cities and districts, which is what the founders intended.

Interviewer:

Glenn, you mentioned voting over the Internet. Now that we have video conferencing, email and so forth, it seems like if we were able to go back to this philosophical idea of more true representation, we actually have the technology in place today that would support it on a practical level.

Glenn Neely:

If it had to be kept private with a 5-level phone security system, then there could theoretically even be meeting places in every state where the representatives of that state would meet. The whole country would vote from these centralized, highly-secure locations where they could make

sure there are no shenanigans going on with the votes and stuff or any kind of Internet security issues.

Interviewer: Another question is how would 10,000 representatives get anything done working together?

Glenn Neely: That's the whole point. When it comes to way politics works now, you don't want your representatives wheeling and dealing with other people. That's not the point of representative government. The point of representative government is each group has its yes or no vote. Whatever the result is, that's what the result is. It has nothing to do with wheeling and dealing. Wheeling and dealing only has to do with people trying to manipulate their way into getting laws passed that the majority doesn't want. If you have just a straight vote, then the majority always wins.

Interviewer: In terms of committees, if you're in an office environment and you have a committee of 6, 10 or 12, you have a good working committee to really pound out issues and get things done. How do you have what is potentially a committee of 10,000 people?

Glenn Neely: The committees currently aren't 435. You always have subcommittees, and people who can work on committees that are interesting to them.

The whole point of the way the House of Representatives was set up was to make sure that only those laws that were the desire of the majority were even considered to be discussed at all. If you don't have a majority wanting something, it should never even be talked about. That's what federal law is about. We're not talking about state, local and city stuff. We're talking about laws being made on a national basis that apply to everyone. Those should be very few and far between, because it's very difficult to make a law in New York City that's going to apply to somebody in Hawaii. The laws should be few and far between and very carefully considered. The majority has to want it before it is ever brought up as a serious law. If the interest is there, then you get the committees to craft the law and vote on it.

Interviewer: It's interesting to me that it feels like such a new idea. Here I am in the 21st century, and yet it's what the framers of the Constitution had intended well over 200 years ago.

Glenn Neely: They put up with the parliament, kings, queens and all that stuff. They knew what dictatorships were like and what very powerful organizations could do to the majority of the people. The will of the people is not met when only a few people are running the government.

Interviewer: I'm thinking through time. You have your late 1700s, and then the population increases and grows. By the early 1900s, in the 1929 to 1930 timeframe, you can understand why the House of Representatives capped their limits. They were looking at a physical limitation of how many people they could put in one building and get something done.

Glenn Neely: They didn't have the technology to accomplish what we can accomplish now. They did have the telephone, but they didn't have all the other technological advantages we have now.

Interviewer: Even just getting people from point A to point B was still quite rudimentary.

Glenn Neely: There was an article I read a long time ago that was titled "Air Conditioning Has Ruined America." It was something like that. I'm paraphrasing. The whole idea was that because they had air conditioning in the House of Representatives and the Senate, they could now meet year-round.

Interviewer: Instead of having a shorter timeframe to get things done.

Glenn Neely: The less they did, the better off the people were!

Interviewer: The House of Representatives capped its number at 435 in the 1929 to 1930 timeframe. Here we are almost a century later with all this technology at our fingertips, and technology is growing exponentially. Now we're ready to have these conversations about going back to what the framers of the Constitution had initially presented. It's interesting to me. It's almost ironic.

Glenn Neely: It's becoming an issue for me in particular. Everyone is talking about the Democrats doing this, the Republicans doing that, or the Senate, House or president. They're not realizing that the whole reason none of their wants and desires are being met is because so few people are being manipulated, lobbied and bribed by small groups of people with a lot of money to do what they want. They're making laws that have nothing to do with what the majority want. A significant portion of all the laws being passed nowadays, which is quite a few, are being passed because being paid to make these laws happen to benefit certain companies or organizations. The public doesn't even know about it. Over time, it creates these massively complex tax and legislative laws. It just keeps adding up and adding up, because it has nothing to do with the will of the people anymore.

Interviewer: I'm uncomfortable assuming that there's widespread bribery among our politicians, but I do certainly agree with the idea that large corporations

and lobbyists hold sway to a level that individuals like you and I certainly cannot.

Glenn Neely: Most people are busy making a living. I've never met any senator in my life that I can think of. These are people you never see and are never in touch with. That's a big problem in a representative form of government. If they have to represent too many people, then you have one person traveling around a state spending millions of dollars on TV ads and trying to present an image of who they are because you never get to meet them.

You have to please so many people that all you can do is ride on the fence on every issue, which is what everybody complains about with politicians. They never give specifics or get into details because they can't afford to. Otherwise, they're going to turn off too many people. By representing a lot of people, you have to ride the fence on almost every issue, talk in contradictory terms and never commit to too much. That's exactly the opposite of a representative form of government. That's a political environment. The founders didn't want a political environment. They wanted a representative form of government.

If you have one person representing one small town and that town wants something in particular, if it's a really strong need of that town, they might have 80% or 90% agreement on that particular concept. You would never achieve that on a national basis for virtually anything. It's okay to be radical when you're representing 30,000 people. It's impossible when you're representing a million.

Interviewer: We started out the conversation talking about voter apathy and disenfranchisement and voters feeling disaffected from the federal government. From the individual's standpoint, if I know that myself and 30,000 people in my region are represented by John Doe or Jane Doe, and I have more access to that person than I currently do, then perhaps at an individual level we feel more empowered. We don't feel disenfranchised anymore. We have more opportunities to have our voices, ideas, opinions and points of interest heard. You're looking at this as a true win-win for the individuals of our nation, as well as the entire nation itself.

Glenn Neely: The benefits are actually incredible. The list of problems that Americans complain about that would be immediately solved within a year or two is quite long. You would immediately have a situation where corporations would no longer have any power in the creation of laws, because they couldn't influence 10,000 people.

Political groups would no longer have any hope of getting specific laws, supported by the minority, for their specific wants and desires. The gerrymandering issue would be a non-issue because you'd have too many

districts to worry about and they'd all be very small. If you're representing 30,000 people in New York City, that might be just a few blocks. You just walk down to your local auditorium and you can talk to everybody within a matter of a few weeks. Then you're done.

There's no need to raise any money, travel around the state or go to Washington, D.C., because you'd have nothing to do with Washington. You'd have to represent what those people in your district want. The campaigning for all representatives would basically collapse. There'd be no reason to go to fundraisers. If you're only representing 30,000 people and you're in that same city, how many funds do you have to raise to drive your car to the local auditorium? We'd solve the money-raising issues, which then gets rid of the influence and corruption of the political process.

And you would decentralize Washington's power. You get everyone out of Washington so there's not as much of an advantage of terrorist attacks. That gives you some ideas of things that would benefit from this process. It would be relatively easy to implement. It would take people maybe a year or two to get the new system down. When you're only representing 30,000 people, it doesn't take very long for that 30,000 to get together and decide who they want to represent them. It would be outstanding citizens in the community like it used to be and is supposed to be, not who has the slyest way of talking and manipulating people.

Interviewer: This has been a philosophical discussion of effective government, clearly not a political discussion. There are no specific parties and so forth, but a larger philosophical discussion. What would you like to see happen?

Glenn Neely: The public needs to learn about and understand this concept. Everyone is complaining about things that have no solution unless we get back to true representative government. You can complain all you want about what political parties are doing, but as long as they're bribable and there are lobbyists and too few people representing too many, we will never have laws passed or the influence or control that the majority wants. Until that one problem is solved, America will continue down this path of corporate greed, Wall Street influence, and all the things that people complain about that the rich and powerful are now in charge in Washington. That's never going to change until we get back to representative government.

I'm mostly doing this talk because I want the ideas to be better understood and for people to begin talking about them. I can assure you that no congressman or senator will ever talk about this.

It will immediately reduce their power by 99%. People in Washington are there because they love power, money and influence. That's because the environment incentivizes that kind of personality and mentality. This must be a grassroots movement where we put new people in power who will

actually allow this to happen, people who are there for the good of the country, not the good of themselves.

It has to change at a grassroots level, so the public has to be educated on this. Until the majority understands it and makes it happen, it's never going to happen.

Interviewer: That seems like an excellent place for us to end this conversation. We would like to have more conversations in the future on this topic and delve into it a bit more.

Glenn Neely: I'd love to get some comments from the listeners of this. They can write us at our company, www.NEoWave.com, and send us comments about it. We'd like to know what your concerns and thoughts are. We can see if there's anything we need to discuss in a future interview.

Interviewer: Thank you so much for your time, Glenn.

Glenn Neely: Thanks, Patrice.