Government *can* make a difference.

Delivering electric service to almost every American household had a huge impact on the overall standard of living. And what's remarkable is that government, not the private sector, was the driving force behind it.

Why use the word "remarkable" to describe a government accomplishment? Because at some point in the late 20th century, many Americans seemed to buy into the idea that the private sector can do almost anything better than government can, and that the best thing government can do is stay out of the way and let the markets do what they do best.

But market forces aren't always as effective as we might hope.

Up until the 1930s, only a fraction of American farms had electric power. Private utility companies were supplying electricity to almost 90 percent of the urban population, but they were slow to extend service to rural areas because of the expense involved in running power lines to isolated homesteads. There was no real progress in bringing electricity to the countryside until the U.S. government took the initiative, and Congress passed the Rural Electrification Act in 1935.

Few pieces of legislation would have a greater impact on American life during the second half of the 20th century – not only in the countryside, but also in places like Quincy and other northern industrial cities. Why? Because without electricity, there's no air conditioning, and without air conditioning the Sun Belt would have taken a lot longer to gain population and economic clout. In 1950, nine of the ten biggest U.S. cities were located in the Northeast or the Midwest, but by the early 21st century, seven of the ten were in California, Texas, or Arizona, where almost everyone lived, worked, and shopped in air-conditioned comfort (see chart).

THE 10 BIGGEST CITIES IN THE U.S.

1950		2005	
New York	7,891,957	New York	8,143,197
Chicago	3,620,962	Los Angeles	3,844,829
Philadelphia	2,071,605	Chicago	2,842,518
Los Angeles	1,970,358	Houston	2,016,582
Detroit	1,894,568	Philadelphia	1,463,281
Baltimore	949,708	Phoenix	1,461,575
Cleveland	914,808	San Antonio	1,256,509
St. Louis	856,796	San Diego	1,255,540
Washington, D.C.	802,178	Dallas	1,213,825
Boston	801,444	San Jose	912,332

Source: U.S. Census Bureau

They were also able to drive their air-conditioned cars on an impressive network of freeways, thanks to legislation that created the Interstate Highway System in 1956. And here's where the connections get interesting, because the government program that brought electricity to farmers in 1935 also helped to create a power grid that would supply electricity to the subdivisions, malls, assembly plants, and office parks that sprouted in the orange groves and cotton fields near interchanges of the superhighways built with federal money during the 1950s and 1960s.

Photograph courtesy of the Missouri Department of Transportation.

Those are just two examples of how government actions influenced the economic fortunes of the Sun Belt and the northern industrial areas. Here's a brief look at five more.

• Federal policies made college accessible to more people and transformed universities into research centers, many of which thrived in Sun Belt states. Older established universities in places like Boston retained their importance and prestige, but they were no longer the only places for scientists to conduct important research.

• The combination of lower taxes in the Sun Belt and higher taxes in the industrial North made "business climate" a major consideration. Rightly or wrongly, the North was often seen as being less "business friendly."

• Looser building regulations made new construction easier and cheaper in the Sun Belt than in the North, and that contributed to the shift in population and economic power.

• State laws that were favorable to labor unions in the North and hostile or indifferent to them in the Sun Belt had an impact on the cost of doing business. As far back as the 1920s, companies were leaving the North to take advantage of lower labor costs in the South. And even if companies were not actually planning to move, the mere threat of relocation gave them leverage in their dealings with labor unions and local politicians.

• We mentioned earlier that Quincy began to welcome a more diverse population in the 1970s and 1980s. Part of the reason is that changes in U.S. immigration laws in the 1960s had phased out a quota system that had heavily favored immigrants from northern Europe and largely excluded those from other parts of the world.

Sometimes the government get things right; other times it doesn't. Either way, its impact on economic life is undeniable.