

Cato's Letter

A QUARTERLY MESSAGE ON LIBERTY

Bipartisan Big Government in Washington

David Boaz

Freedom is really taking it on the chin in Washington, and both parties deserve some blame. Take the Republicans: I can remember when conservatives used to believe that the U.S. Constitution set up a government of strictly limited powers. It was supposed to protect us from foreign threats, deliver the mail, and leave everything else up to the several states or to the private sector—individuals, families, churches, charities, and businesses.

I think that's what lots of voters assumed they were getting when they voted for George W. Bush. Bush campaigned across the country telling voters, "My opponent trusts government; I trust you." That was the promise we heard in 2000. What's been the reality?

Federal spending has increased under President Bush. You might say: "Federal spending always goes up. We can't seem to stop that." But—not counting interest payments, which are down—federal spending is up 29 percent in three years. Do you know who was the last president to spend at that pace? Lyndon Johnson.

*David Boaz is executive vice president of the Cato Institute and the author of **Libertarianism: A Primer**. This is an excerpt from his remarks at Freedom-Fest in Las Vegas on May 14.*



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Government has grown in other ways too. There are more non-defense-related federal employees than ever before. Education has been further federalized in the No Child Left Behind Act. Conservatives used to want to get rid of the Department of Education; now the administration is turning it into a national school board.

Bush twisted every arm in Congress to pass the biggest entitlement program in 40 years—the Medicare prescription drug

And that's just the president's *economic* record. We also have John Ashcroft's Patriot Act and the unprecedented expansion of federal law enforcement and surveillance powers. The man who said "My opponent trusts government; I trust you" is now pushing secret subpoenas, secret searches, secret arrests, and secret trials. American citizens are being held without access to a lawyer or an impartial civilian judge.

“When they're given a chance to vote, Americans don't like big government.”



entitlement. The administration said it would cost \$400 billion in the first 10 years—which was bad enough. After the vote, administration officials revealed that it would be about one-third more than that. And that's for a program that has already run up an unfunded liability in the unimaginable sum of \$37 trillion.

The president has proposed an energy bill that my colleague Jerry Taylor calls “a smorgasbord of handouts and subsidies for virtually every energy lobby in Washington.”

And that's just the big stuff. I could go on and on about Clintonesque programs: a new hydrogen-powered automobile, subsidized mentors for troubled teens, subsidized marriage counseling, and more.

BIG GOVERNMENT REPUBLICANS

Of course I don't want to put all the blame on President Bush. A Republican Congress passed all those spending bills and the Patriot Act. When Bush proposed a sequel to the Patriot Act last fall, a Capitol Hill Republican told the *New York Times*: “This is the *president* talking. We have to be as supportive as we can of the president.” That's not the attitude James Madison expected members of Congress to have toward the president.

Republican members of Congress propose federal laws to override state common law in gun and fast-food lawsuits—and a Federal Marriage Amendment to tell all 50 states they can no longer make their own marriage laws.

BIG GOVERNMENT DEMOCRATS

None of which is to say the Democrats would be better. I could list all the spending increases that John Kerry has proposed, but I don't have time—it's a very long list. Democrats have been digging in their heels against reform of entitlements and demanding an even bigger prescription drug benefit. They claim to be concerned about the federal deficit, but they have been utterly irresponsible in the face of multi-trillion-dollar unfunded liabilities.

Democrats have just about given up on free trade, something that even Bill Clinton supported. They'd run Smoot and Hawley this fall if they could.

Some Democratic presidential candidates railed against the war in Iraq, but then they called for sending U.S. troops to Haiti and Liberia—countries that we can be absolutely certain are not vital interests of the United States. All the senators who ran for president this year, along with Dick Gephardt, voted to give the president a blank check to wage the war in Iraq. They claim to defend civil liberties, but every one of them voted for the Patriot Act—without even reading it.

GOVERNMENT RUN AMOK

These days, we have a government truly out of control. OSHA tried to regulate the workspaces in our homes. We arrest a million people a year in a futile attempt to win the war on drugs. The latest craziness in that war is the DEA going after doctors who prescribe pain medications for patients in pain. Governments at all levels are trying to force our kids into failing public schools for more hours, more days, and more years. The Justice Department tried to steal half the company that Bill Gates built. Govern-

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ments are placing more regulations on hiring, firing, accounting, smoking, drinking, eating, and a whole host of other things.

But don't worry: recently federal courts and federal commissions have determined that the federal government was not responsible for the shooting of Vicki Weaver at Ruby Ridge, not responsible for the gay-bashing murder of a soldier in his barracks, not responsible for the deaths at Waco—and, it appears, not responsible for anything, ever.

DO VOTERS WANT BIG GOVERNMENT?

Now, it's worth pausing to ask: could it be that both the Democrats and the Republicans are just giving the voters what they want?

I don't think so. When they're given a chance to vote, Americans don't like big government. In 2002, 45 percent of the

voters in Massachusetts, the most liberal state in the Union, voted to abolish the state income tax, despite dire warnings even from leading conservatives that the measure would wreck vital services. Last fall, Alabama voters rejected their conservative Republican governor's billion-dollar tax hike. When California's voters tossed out their big-spending governor, 62 percent of them voted to replace him with a candidate who promised not to raise taxes. Voters even turned down a coffee tax in Seattle.

Last year, the liberal voters of Oregon voted 55–45 to reject a proposed tax increase, thereby instructing the legislature to cut spending. When the legislature defied the voters and raised taxes anyway, voters overturned the tax hike by an even larger margin.

When they're given a choice, American voters reject big government. The problem is that we have a permanent ruling class in Washington that has made itself largely impervious to elections. People say "we don't need term limits, we have elections." The problem is that we have elections with a 99 percent reelection rate. It used to be that the voters in a congressional district chose a representative to Congress; now members of Congress choose voters to represent. Gerrymandering, campaign finance restrictions, and other election rules make it very hard for outsiders to break into the system.

A SENSE OF PERSPECTIVE

When we take a longer view, things don't look so discouraging. When you think of what the human race has gone through—conquest and subjugation, theocracy, slavery, feudal-

ism, absolute monarchy, military dictatorship, communism, fascism, national socialism—you realize that the political and economic systems of more and more of the world reflect a great deal of learning and improvement. Today, we live in societies largely based on property rights, market relations, the rule of law, religious toleration, and legal equality for people of different classes, races, and sexes. And because of that we have made enormous strides in the past two centuries in health and life expectancy. That's a tremendous achievement.

The Cato Institute celebrated its 25th anniversary a couple of years ago. And in preparing to write about that, I thought about the past 25 years. Think back to the 1970s. Remember what the world was like then: Jimmy Carter. Tip O'Neill. Energy czars. Gas lines. Raging inflation. ABC-NBC-CBS. Mao Tse-tung. The Soviet Union. Apartheid. It was a different world.

A leading intellectual-statesman, Sen. Daniel Patrick Moynihan, wrote in 1976, at the time of the American bicentennial:

Liberal democracy on the American model increasingly tends to the

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condition of monarchy in the 19th century; a holdover form of government, one which persists in isolated or particular places here and there. It is where the world was, not where it is going. Increasingly democracy is seen as an arrangement peculiar to a handful of North Atlantic countries.

How wrong he was. Under the surface things were changing, but even smart men like Moynihan didn't see it. Some of the very weaknesses that led Moynihan to his pessimism—such as the federal government's disastrous triple play of Vietnam, Watergate, and stagflation—had eroded the confidence in government built up by the New Deal, World War II, and the prosperous 1950s. The ideas that F. A. Hayek, Ayn Rand, Milton Friedman, and others had been propounding for decades were beginning to take root. Politicians such as Margaret Thatcher and Ronald Reagan, who had read some of those dissident authors, were planning their challenges to the failing welfare-state consensus, and thousands of other readers were preparing to join their campaigns.

Even less obviously, back in 1977, Soviet leaders had lost confidence in the Marxist ideology that justified their rule, and that fact was going to have tremendous consequences in much less time than people realized. In China, Mao had just died, and his old comrade Deng Xiaoping was maneuvering for power. His victory would have consequences that no one could foresee in 1977.

Twenty-five years later, the world has changed so much that we can hardly remember what 1977 was like. Reagan and Thatcher moved public policy in the direction of lower taxes, less regulation, and privatization. They had an even bigger impact

on political culture, both in their countries and around the world. They both symbolized and galvanized a new appreciation for markets and entrepreneurship. Reagan's optimism—combined with the mountains of facts accumulated by Julian Simon—helped to dispel the doom and gloom of the 1970s.

Reagan and Thatcher did little to challenge the welfare state. But by strengthening the economy and helping more people to appreciate the benefits of entrepreneurship and investment, they contributed to a growing demand for reform.

THE WORLD'S FREE-MARKET REVOLUTION

Abroad, the changes have been even more dramatic. The Soviet Empire fell. We've seen a worldwide trend toward free trade and free economic cooperation across national borders.

China's economic development has been astounding. Deng Xiao-ping liberated farmers to keep more of the crops they produced. They were able to grow enough food to allow many people to leave the farm and do other things. Deng legalized township and private enterprises.

When Cato held a conference in Shanghai in 1988, China was still very poor. Shanghai was a huge city with almost no tall buildings. From the 16th floor of the Shanghai Hilton, I looked across miles of hovels to the Sheraton in the distance. There was nothing in between. There were very few stores and restaurants, and they didn't have much to sell, and nobody seemed to want to sell you anything.

We had another conference in 1997. Again it was at the Shanghai Hilton. When I got there about 10 o'clock at night, I went out for a walk around the neighborhood, and it was dramatically different. All around me, there were bars, and clubs, and restaurants, and fruit stands, and farmers

selling watermelons out of their trucks. It was an enterprising world. And the city's skyline had certainly not become Manhattan, but it was probably on the scale of Houston—a stunning change.

There was a headline in the *New York Times* recently that may have summed all this up: “In China, Capitalism Is Possibly the Future of Communism.” Try imagining that headline in 1977.

This is the issue [facing us]:

Whether we believe in our capacity for self-government, or whether we abandon the American Revolution and confess that a little intellectual elite in a far-distant capital can plan our lives for us better than we can plan them ourselves.

You and I are told increasingly that we have to choose between left or



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THE STRUGGLE FOR LIBERTY CONTINUES

Around the world, freedom is making gains. But the struggle for liberty and limited government is sorely in need of new commitment here at home. These days in America we have leading conservatives who reject Calvin Coolidge and Barry Goldwater as their forebears in favor of Theodore and Franklin Roosevelt. Those “big government” conservatives claim to admire Ronald Reagan, but they would never have supported the Ronald Reagan who said this in his most famous speech:

This idea that government is beholden to the people, that it has no other source of power except the sovereign people, is still the newest and most unique idea in all the long history of man's relation to man.

right, but I would like to suggest that there is no such thing as left or right. There is only an up or down—up to man's age-old dream—the ultimate in individual freedom consistent with law and order—or down to the antheap of totalitarianism, and regardless of their sincerity, their humanitarian motives, those who would trade our freedom for security have embarked on this downward course.

That's the kind of committed, principled leadership on behalf of limited government that we need today. With political leaders of both parties delivering big government, this must be our task—to try to get across the message that America would benefit from less government . . . and that Americans want less government.

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