
After the War Is Won: Downsizing Government without Degrading National Defense

Shortly after September 11, American Experiment president Mitch Pearlstein asked a number of friends, in Minnesota and elsewhere across the country, to look down a potentially long road and ponder ways of safely cutting back on government once the war is over. Thirty writers, from a wide variety of backgrounds, responded to the following set of queries:

“The central question is not whether Washington is acting prudently in building up for the war against terrorism. The key question, rather, is what must be done so that the federal government responsibly scales back its reach after the war is won (which may be years from now).

“More specifically, what needs to be done to assure that (1) a drive for smaller government does, in fact, resume at some point; but that (2) such a campaign not be accompanied by a parallel push to weaken the ability of the United States to defend itself and its interests? Because as repeatedly documented, shrinkage in American military might and security capabilities has been a regular and dangerous postscript to our nation’s major conflicts over the past century, including the First and Second World Wars, Vietnam, and the Cold War.”

Their brief and trenchant essays follow, in alphabetical order.

Commission on National Security for the 21st Century

John S. Adams

President Harry Truman signed into law the National Security Act of 1947, which brought our armed forces together under the secretary of defense and established the National Security Council to integrate all aspects of our nation's power. The act served us well during the decades of the Cold War, but things have changed, and the ways we organize military affairs and national security are badly out of date.

As the attacks of September 11 demonstrated, our national security system now has to consider a world of chemical and biological agents, as well as nuclear weapons and conventional armies, rogue states, and fringe groups motivated by hate. We're also challenged to protect the nation's information networks, on which our banking systems and public services depend. If they were disrupted, the economy could be paralyzed, and life would be threatened. So in 1997, the Congress recognized that it was time to take a fresh look at U.S. national security processes and structures. The next year, a study was chartered by the secretary of defense, and the U.S. Commission on National Security/21st Century was launched under the leadership of Senators Warren Rudman and Gary Hart. The commission was charged with three tasks: (1) analyze the emerging international security environment; (2) develop a U.S. national security

strategy appropriate to that environment; and (3) assess the various security institutions of our country for their current relevance to the effective implementation of that strategy, and recommend necessary adjustments.

The commission's three reports outlined and discussed major themes and trends, and described their implications for national security. They concluded, and I quote:

- America will become increasingly vulnerable to hostile attack on our homeland, and our military superiority will not entirely protect us.
- Rapid advances in information and biotechnologies will create new vulnerabilities for U.S. security.
- New technologies will divide the world, as well as draw it together.
- The national security of all advanced states will be increasingly affected by the vulnerabilities of the evolving global economic infrastructure.
- Energy supplies will continue to have major strategic importance.
- All borders will be more porous; some will bend, and some will break.
- The sovereignty of states will come under pressure, but will endure as the main principle of international political organization.
- Fragmentation or failure of states will occur, with destabilizing effects on entire regions.
- Foreign crises will be replete with atrocities, and the deliberate terrorizing of civilian populations.

- Space will become a critical and competitive military environment.
- The essence of war will not change.
 - U.S. intelligence will face more challenging adversaries, and even excellent intelligence will not prevent all surprises.
 - The U.S. will be called upon to intervene militarily in a time of uncertain alliances, and with the prospect of fewer forward-deployed forces.
 - The emerging security environment in the next twenty-five years will require military and other national capabilities.

Their analysis and conclusions—with which I happen to largely agree—paint a sobering and challenging picture for all of us. Senator Rudman said, “It is unlikely that we will continue to be the blessed country we’ve been all these years,” referring to the possibility of an attack by a foreign power. “The threat is asymmetric,” he said, “and we’re not prepared for it.” The conclusion is clear: the next few decades will be strikingly different from those we left behind, but the system in place to protect America is a jumble of agencies with gaps and overlapping jurisdictions based on Cold War thinking, instead of a refined national security apparatus that could provide much more security with the same or less investment.

In February 2001, the commission issued its third and final report, which cites the country’s vulnerability to terrorist attacks, porous borders, and new

technologies, and recommended the creation of a National Homeland Security Agency. The president’s appointment of Pennsylvania Governor Tom Ridge responds to that recommendation, but it took the events of September 11 to prod the White House into action.

The report recommended sharply higher spending on scientific research and education, an overhaul of government institutions, and elimination of duplicate functions and obsolete programs. It warned that without significant reforms, American power and influence cannot be sustained. And it offered the most far-reaching blueprint for reforming the national security apparatus since 1947.

If effective and cost-effective national security is the nation’s goal, then most of the commission’s recommendations make a great deal of sense to me. It’s entirely possible that following the recommendations could yield a net decrease in federal outlays because duplications and inefficiencies of present structures and operations can be reduced.

Whether remodeling the nation’s security apparatus leads to a concentration of government power over the long haul depends on how it’s done and arrangements worked out between the federal government and state and local agencies—all of which have roles to play in twenty-first-century national security.

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A Prolonged Historical Crisis

Barry Casselman

The war we have just begun is only the latest battle of a prolonged historical crisis that began before most of us now alive were born.

This crisis was set into motion by the terrorist act of a Serbian assassin in 1914, and it dissolved the assumptions that kept the political, military, and economic forces of the dominant world order of that era, European civilization, together. When that war was concluded, it was followed by another, against a new form of state terrorism called fascism. Following this war came another, against the inevitable outcome of state socialism, totalitarian communism. At the same time, and as a result of these prolonged and violent hostilities, a worldwide spirit of nationalism emerged in which geographic areas, hitherto patched together by successive superpowers for their own economic and military interests, began to separate from the old regimes, and to form many smaller nations based on history, tribe, religion, and language.

With the creation of so many independent states, varying in size and population, there have arisen accompanying institutions such as the United Nations and world economic organizations. These are fragile, and of limited influence, because they are based on the assumptions of modern law, democracy, and capitalism—principles that only a minority of the world's nations observe.

The rapid expansion of technology in weaponry, communication, and

transportation has also enabled individuals and small groups with a grudge, through new acts of terror, to affect whole nations. (Nor should we forget, in the face of a current threat from abroad, the extremist and lethal acts of a few American citizens against their own country.)

I am confident that the present form of terrorism, extreme religious fundamentalism, will be overcome. (Although early successes by the U.S.-led campaign in Afghanistan should not be considered more than initial skirmishes in a long-term war that will probably be conducted for years.) But given that, for the time being, the United States is the world's only military superpower (perhaps to be joined by China within decades), we need to look anew at some assumptions underlying the role and scope of government.

In the Afghan war, we appear to have learned the lesson that traditional fighting forces and weaponry no longer apply to contemporary combat. Our military, employing special forces and "smart" weapons, has adapted. Twenty years before September 11, Ronald Reagan took office with a call for smaller government. Liberal politicians and most of the media regarded this as quaint and romantic, but the principle soon began to take hold with the public. By the end of Bill Clinton's second term, the notion had become entrenched in the national political psyche as the Democrats themselves promoted balanced budgets, reducing national debt, consolidating government, and shrinking some of the bureaucracy.

In the wake of the national emergency, and the concern for security and military preparedness, a new debate about the size and role of government has begun in our country. Included in this discussion are economic policies, civil rights, and privacy. Some fear a reversal of the move toward more efficient government. Others fear intrusions on privacy and civil rights.

Fortunately, President Bush and his administration so far have understood that war is not fought under the klieg lights of a movie set, and that the rules of engagement are not those of a high school debate. In order to combat an enemy who does not abide by “civilized” rules—avoiding the wanton killing of civilians, forswearing the use of biological and chemical weapons—you cannot impose rules on yourself that will enable, if not guarantee, your enemy’s victory.

But the overriding revelation about privacy in America has nothing to do with warfare or September 11. *The inevitable and irreversible price of modern technology in all its forms is the loss of privacy as we have known it in the past.* We simply cannot have computers, the Internet, disease control, cable TV, wireless phones, and electronic banking (and all the marvels to come) without losing the old standards of privacy. In a time of war, particularly when the threat is to all Americans in their homes, workplaces, or anywhere in public, the clamor for “pure” privacy is ludicrous.

Bureaucracies likewise are not abstractions. From experience we have

learned that they are often cumbersome and corrupt. But government, especially in crisis, is necessary to protect and serve the public. As we now need to adapt our perception of privacy, we should adapt government to what we now need. This does not mean that citizens and voters should not be vigilant about their rights, nor that government has *carte blanche* to do whatever it wants. The Constitution and our political institutions are also not abstractions. They were created to enable us to survive current and future threats. We need to use our common sense, our ingenuity, and our implacable idealism to go forward with confidence that our tenure with freedom will continue and prosper.

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Clarifying the Scope of Government

Bryan Dowd

On the door of my office is a quote from Ambrose Bierce that defines a physician as “one upon whom we set our hopes when ill and our dogs when well.” For many people, I am sure it seems as though government is an institution on which conservatives set their hopes in times of war, and their dogs in times of peace.

Certainly, since September 11, the political left has been quick to point out the apparent duplicity in conservatives’ attitudes toward government’s wartime and peacetime roles. (To be fair, however, the political left, who

prior to September 11 thought the federal government could be trusted to manage our lives from cradle to grave, now is expressing newfound mistrust over an all-powerful government.) A *Wall Street Journal* article managed to muddy the waters further by making a level-playing-field comparison between the post-September 11 spending appropriations and the contentious pre-September 11 debates on government spending.

Although our attitude toward physicians may be hypocritical, I believe that the conservative view of government is not. Rather than altering the conservative view of government, war tends to clarify it. Most economists would acknowledge two appropriate roles of government, consistent with Article 1, Section 8 of the U.S. Constitution: (1) monetary policy, and (2) protection of property and commerce, which includes correction of market failures, when possible.

National defense falls under the second category and is one of the classic examples of legitimate government activity. Anti-ballistic missile (ABM) defense systems, for example, are cited frequently as the classic case of a pure public good. My consumption of defense against missiles in no way diminishes your consumption of defense against missiles, and once an ABM system is in place, I cannot be excluded from enjoying the benefits of the system (unless I'm deported). Those two characteristics of ABM systems make private markets an unsuitable method for determining the efficient price and quantity of ABM

systems. What is true of incoming missiles also is true of incoming immigrants, if their intention is to hijack airliners and crash them into buildings, spread disease, or perform other acts of war against U.S. citizens.

Another classic case of market failure relevant to the post-September 11 world is inoculation against communicable disease. Economists refer to this problem as "externalities" or "spillovers." Your vaccination against smallpox reduces not only the probability that you will contract the disease, but also the probability that I will contract it. Knowing that, I may attempt to "free ride" on others' willingness to be vaccinated, but fail to account for the beneficial effect of my vaccination on others. The result is a level of total vaccinations that is privately optimal, but myopic, and thus socially suboptimal. The textbook remedy for this situation is a government subsidy of the price of vaccinations to raise consumption to the socially optimal level.

Much of the post-September 11 increase in government spending appears to be a rational response to revealed flaws in legitimate government functions. If our ABM system was shown to be fatally flawed, a natural reaction would be to determine whether the benefits of fixing it are worth the cost, and if so, to fix it. Now that our anti-homicidal-maniac-immigrant policy has been shown to be fatally flawed, a natural reaction is to determine whether the benefits of fixing it are worth the cost, and if so, to fix it. The same is true of our capacity to combat communicable disease, and to protect our air, water,

and food supplies. These developments are not mysterious, nor should they provide a defense for government intrusion into areas where governments should not go. What is called for is careful analysis, rather than inaccurate generalizations, either by the political left or by journalists.

Careful analysis may cast some spending in an unfavorable light. For example, I am not sure that the airline bailout is a good idea. We have awarded the airlines billions of dollars for failing to secure the safety of their cockpits and passenger compartments, which I believe would have cost, at most, eleven dollars per passenger for a one-way flight. How much more should we pay them when we find that they also have failed to secure the safety of their baggage compartments? What kind of incentives are we trying to create?

The economic *theory* of the role of government does not change with the same frequency that the public's view, or even the government's view, of the role of government changes. However, the specific *list of legitimate government activities* can change dramatically with events like those of September 11.

I do not believe that we are witnessing *primarily* a temporary expansion of government powers into otherwise illegitimate areas, although war would justify such an expansion today, as it has in the past. Conservatives should continue to "set their dogs" on any such expansion that is not accompanied by careful reasoning and limited boundaries. Rather, I believe we are witnessing *primarily* a prolonged expansion of

legitimate government functions that fall well within the scope of what citizens have a right to expect from government, and to which all citizens have a responsibility to contribute.

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Resisting Expansion Now Is Easier than Reducing Government Later

Pete du Pont

The war against terrorism has changed American public policy. Gone is the idea that America is to blame for every global injustice, that America can never defend its interests because it might offend others. Gone too are such ideological struggles as ending the death penalty, gun control, and signing on to the international criminal court. The flat tax (or major tax reform) and supplementing Social Security with market accounts are also likely casualties of the war economy.

On the other hand, international trade, increasing America's domestic energy supplies, missile defense, and a strengthened military and CIA are back as favored policies.

But back too is what has accompanied every war in American history: war socialism—more expansive and more expensive government. Deficits are all right again, and so are invading the Social Security surplus, government regulation of business, and massive increases in government spending.

When a country must go to war, there is a natural tendency to increase the size and reach of government to fight it, both on the battlefield and at home. Nothing wrong with that, for it is essential to the winning of the war.

But when the existence of war is used as an excuse to expand government where it need not go, and to expand it in permanent ways rather than just for the duration of the war, there is a lot wrong with that.

So how do we ensure one without the other, necessary wartime spending but not permanently larger government? One thing we do know is that resisting the expansion of government now is easier than reducing the size of government later. That is a truth for all times, but in times of war it is an imperative.

Since September 11, the Congress has approved more money for the military, for domestic security, for families of victims of the September 11 attacks, for airlines relief. It has also federalized the screening of passengers and luggage at airports, creating something like 28,000 new federal government employees. Bailouts for other industries are working their way through the Congress.

So how do we limit the widening scope of government? Americans should insist that their elected and appointed officials do three things now for a better postwar world:

1. **Be skeptical of all increased spending.** Even though Congress approved \$40 billion in increased spending in the wake of September 11, there are those who insist on more. The time may come when more is needed, but

we should, as the president says, see how it goes before we appropriate more.

2. **Beware of those who would take advantage of the crisis to smuggle pet spending projects or new government programs into law.** A project that shouldn't be approved in peacetime is not any more deserving in wartime.

We have seen a host of proposals for projects only tenuously linked to the war. Democrats propose the equivalent of dropping \$20 bills from helicopters—\$300 this time to people who paid no income taxes last year. Republicans want to nearly double the size of farm subsidies in the name of “food security.” Both are bad ideas, but the farm subsidy idea may be the most damaging, for once farm subsidy programs are enacted, they are never repealed.

3. **Resist permanency.** Milton Friedman said, “Nothing is as permanent as a temporary government program.” Friedman was right—as usual—for it appears that the “temporary” federalizing of airport security employees is structured in such a way that it will become permanent. Any law or executive action creating a program or agency to prosecute the war and antiterrorism effort should include a provision making it temporary and defining the conditions under which it will be terminated. If nothing else, that provision offers a rationale for mounting an abolition effort if one is needed.

The attacks of September 11 and the U.S. response had a strong impact on Americans. We want to do whatever is necessary to punish the terrorists and to protect our liberties. At the

same time, it is vitally important to the future prosperity of the nation that these crises not create permanent growth in the size of government and government spending.

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Measure Government by Function, Not Money

James A. Dueholm

Citing, among other things, the New York aid package and the airlines bailout enacted in the wake of the September 11 attacks, the *Wall Street Journal* asserts that the attacks turned “a two-decade trend toward less government into a headlong rush for more.” If this is true, what needs to be done to assure that the small-government drive resumes at some point without weakening our ability to protect the United States and its interests?

The claim that the September 11 attacks spawned a headlong rush for more government is based on a false premise. To a conservative, the size of the federal government should be measured not by money but by function. As a percentage of gross domestic product, the federal government was no doubt “bigger” at the end of World War II than at any time before or since, but, wartime expenditures aside, the government was demonstrably smaller in 1945 than it is now. The federal government then had little involvement in education, housing, pollution control, environmental protection or

regulation, or health care or general welfare, and there were no federal laws or bureaucracies protecting racial or ethnic groups.

The federal action cited by the *Journal* reflects an appropriate exercise, rather than an enlargement, of federal power. The federal government *should* protect the security of our transportation system. It *should* have surveillance powers adequate to shield its citizens from enemies foreign and domestic. It *should* spend money to compensate the victims of a foreign attack. (As Lincoln said in his Second Inaugural, it is appropriate for the federal government in the aftermath of war “to bind up the nation’s wounds” and to “care for him who shall have borne the battle, and for his widow, and his orphan.”) Thus the government action to date, and the public support for it, suggest little beyond a recognition that defense, security, intelligence, and the conduct and consequences of war are legitimate federal functions.

If, however, the response of electors and elected to the attacks does reflect a general willingness to expand government, there is reason to believe that the recent preference for smaller government will reemerge.

A New York Times/CBS News poll reported in the November 3 *New York Times* finds that, even now, a majority of Americans favor “a smaller government providing fewer services.” As the nation’s and the economy’s wounds are bound up and the war on terrorism becomes a chronic condition rather than a crisis response, this majority is

likely to grow. The recent aversion of the public to deficit spending is just below the surface, and the relatively insignificant cost of the war on terrorism as time goes on will make it hard to use it as a justification for continued deficit spending.

The September 11 attacks may create a political climate that will favor Republicans and smaller government. Defense and security issues play to Republican strengths, potentially narrowing gender, racial, and ethnic gaps and reducing the need for Republicans to support expansive education and other domestic policies favored by “soccer moms,” labor, and other pro-government constituencies.

The public’s commitment to smaller government should not weaken its resolve to fight the war on terrorism even if that war is protracted and the threat at times uncertain. The public supported the Cold War for forty-five years, and waged two hot wars in the course of it. In the aftermath of the Cold War, the public has continued to support an internationalist foreign and defense policy, including the maintenance of troops in the Balkans and Korea and the use of force in Kosovo, even when the national interest has not been apparent. Unlike the stalemate of the Cold War and the post-Cold War ambiguities, international terrorism threatens Americans personally, and the cost of the war on terrorism will be, in relative terms, a fraction of the cost of the Cold War. Under the circumstances, there is no reason to believe that the public’s com-

mitment to strong defense and security measures will flag or fail.

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“We the People” Are the Government

Mike Erlandson

Terrorism is the paramount focus of our government today. A society that is not secure cannot long exist. A fundamental role of the federal government is to provide for the safety and security of the American people. Should we be concerned about the federal government becoming too strong or too large? Sure, but there is no need for alarm. As a progressive, I don’t initially respond to increased federal activity, when it is warranted, with suspicion.

But one check on the permanent expansion in the scope of the federal government is the reality that this conflict is not just for the federal government to fight. Already, local and state governments have taken on duties far broader than those they handled during World War II and the Cold War. On September 11 and the days following, the most visible elected official responding to the crisis was a local mayor—Rudolph Giuliani—and the most visible government personnel were local firefighters, police, and EMTs. Although the state Air National Guard patrolled the skies and the aircraft carrier USS *George Washington* anchored in the harbor, local government essentially handled the response.

Local and state public health and safety officials are shouldering most of the burden for combating the new reality of anthrax and other potential biological and chemical threats to the citizenry. Perhaps some of the concerns about federal government growth must also be directed to state and local government?

I must take issue with one of the assumptions of this symposium, that federal action outside the realm of national defense is—*ipso facto*—suspect, regrettable, or worse. Although some conservatives may consider the interstate highway system, the Veterans Administration, the GI Bill, and other programs to have been unwisely “created under the guise of national security,” my practical answer to those concerns is: so what? The vast majority of Americans supported the GI Bill, which transformed the United States into a nation with a broad, educated middle class that created an economy envied around the world. The interstate freeway system and the Veterans Administration are overwhelmingly popular and useful, and are of great benefit to Americans.

If it is a concern that the federal government will overreach during this conflict, then one simple check on this growth is for Congress to enact legislation with defined parameters, accountability measures, and sunset language.

Liberals *and* conservatives have always fought hard against unconstitutional government encroachment on individual rights, even when war is the given rationale, and they continue to do so. The considerable increase in fed-

eral law enforcement power of the past few months raises some real concerns. Military tribunals for foreigners accused of crimes, detention without charges, and expanded electronic eavesdropping are continuously debated in the halls of Congress and in our great *free* press.

There is an inherent tension between security and privacy in a liberal democratic state. Under the Leviathan state about which Thomas Hobbes theorized during the English civil war, the state was made all-powerful, but the citizenry was secure. Americans will never favor such a government. Americans tolerate more violence in our society than do other postindustrial democracies: a little more danger seems to be the cost of more freedom. Furthermore, American courts have shown a remarkable ability during previous wars to expand the power of the federal government without totally trampling the Bill of Rights—although the arrests of antiwar activists during World War I and the internment of Japanese Americans during World War II were clearly unconstitutional mistakes tolerated by the courts. Similarly, the federal, rather than national, form of government set out in our Constitution provides a strong historical and philosophical counterbalance to an overextended federal government.

The guarantee that our federal government will “scale back” after a war is simply that in a democracy, the will of the people is always realized. When the fight against terrorism is won, the role of the federal government will change

as the people demand. Just as we saw the post-Cold War changes in the role of the military and intelligence organizations (including the FBI), we will see their place in the overall federal direction change again in the future.

We Americans are optimistic enough to have an open exchange on this topic. In places inundated with terrorism and conflict—such as Israel and Afghanistan—a discussion of scaling back government during such times would be an impossible luxury.

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Goals That Unify the Nation

Patrick Garry

Worrying about the growth of government during a national defense crisis is like worrying about the plumber tracking in a little mud when he comes to fix the backed-up sewer: some things can't be helped.

Just as the government had to act (and act quickly) during the Great Depression and after the attack on Pearl Harbor, so too must it act now. And Republicans who oppose anti-terrorism programs because they fear the growth of government are making the same mistake that their predecessors made seventy years ago—a mistake that, in domestic affairs, shoved their party and the conservative movement off to the political sidelines for nearly half a century.

A belief in limited government does not translate into automatic opposition

to all government action. Moreover, in the wake of September 11, much of the federal government's increased activity will be an exercise of the duty that the framers specifically imposed on it—to provide for the common defense.

In the debate over limited government, an important distinction must be observed. Although the quantitative size of government is important, even more so is the qualitative role it plays.

Freedom is not threatened simply by an increase in the government budget; it is threatened when government takes over functions that were formerly performed through the free interactions of civil society. The Clinton health care proposal was a massive threat because it sought to federalize a huge part of American life. The budgetary numbers involved in the proposal were irrelevant compared to the fact that one-sixth of the economy was going to be taken away from the realm of private decision making and transferred to the dictates of Washington bureaucrats.

One of the tests of whether government has exceeded its proper but limited sphere is whether it will crowd out activities that would otherwise be performed (or have otherwise been performed) by the private sector. Another test is whether government constitutes the only agent capable of meeting the vital need that its actions seek to address.

The present domestic security actions of the government pass both these tests; but, of course, to sanction and even welcome this government action is not to ignore all the ripple

effects it may later cause. There is a legitimate concern that all this activism will lead, down the road, to an improper and overreaching expansion of government.

One way to act on this concern is to return to an issue that has been largely forgotten this past decade—the balanced budget amendment. The surge of new government spending initiatives prompted by the September 11 attack should be coupled with the reintroduction in Congress of a balanced budget amendment to the U.S. Constitution. Such an amendment would help set a natural brake on the overall growth of government, and would force lawmakers to better prioritize among government programs. And it is an amendment whose political time may have come. During the 1980s, its most vehement opponents were Democrats, but given all their preaching about balanced budgets and national debt during the 2000 election, they may no longer be able to conduct such a vigorous opposition.

Perhaps the current crisis offers a rare opportunity for America—the opportunity to refocus the role and purpose of government, which has of late drifted increasingly toward a nanny state; and to concentrate government activism on a few goals that unify the nation, rather than on a multitude of divisive ones.

That's the nature of real crises: they tend to concentrate attention on what is most important. They tend to show the value of unity and purpose. Perhaps the present crisis can help America

refocus after a decade of diversion and deception.

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Speaking Our Convictions

Harold E. Hamilton

Terrorism didn't start on September 11, and it will be with us for a long time. It's a matter of getting it under reasonable control. Let's hope we can do it soon.

The question as to what must be done now “so the federal government responsibly *scales back* its reach after the war is won” has to do more with the government's nature than with its size. In fact, part of the public discussion at this moment is not only why so many people in the Middle East hate America, but why so many people in this country hate what America stands for. We've heard various Americans echo the theme: we deserved this tragedy because of our culture, lifestyle, success, history, polluting, and failure to provide more help to the poor people throughout the world.

This view was echoed in a September 16 editorial by Robert G. Kaiser in the *Washington Post*: “We are the leading world power but we rarely lead the world.” Other comments in various editorials, interviews, and speeches have given voice to those who hate this country enough to want to significantly change or replace our government and way of life. Equally serious are the attacks on our free enterprise system in our schools by teachers and professors. In fact, many would like to

eliminate America as we know it and replace it with a socialist system. Thomas Palmer of the Cato Institute pointed out (in the institute's monthly audio magazine for October 2001) that many intellectuals despise—among other things—free markets, limited government, individualism, and technology. Most of us in the private sector realize what free markets do for us. Competition keeps us efficient so we can compete in the global marketplace. Limited government allows us to make decisions that make sense instead of some bureaucrat dictating the ridiculous. Individualism is a cornerstone of our culture passed down through the centuries and gives each of us the respect we deserve. If we didn't have technology, most of us would be on the farm performing backbreaking labor to raise enough food to eat.

Thomas Palmer went on to identify four of the core tenets of our system worth fighting to defend:

- equality before the law,
- wealth to be acquired by productivity rather than force,
- religious freedom or toleration, and
- rule of law.

To many of us these are so obvious that we don't think in terms of defending them, but we must. Equality before the law must remain strong in our system—different people should not be treated differently. We deserve the products of our own efforts and ability. We should be able to keep what we labor for without having it stolen by an individual, company, or government.

Religious freedom is our right. We should be free to follow any religion we choose or no religion at all. The rule of law is one of our strongest protections against the tyrant. We must have free speech and know we won't be arrested for expressing our opinion or coerced when our opinions differ from those of the majority.

What can **we** do to counteract the people among us who would abandon our system and enslave us? We must actively participate in the governance of our nation. We must speak out on our beliefs and convictions. Through the media, in conversations, through social and political affiliations, we hear objections raised to the American way of life. It is our duty as American citizens to raise our voices, to defend democracy, free enterprise, and the ability to expand our horizons—as individuals and technologically. We must write letters to our elected representatives at every level and to the media. We must support and work for the election of political candidates who believe in a truly free America where all are free to strive and succeed. Fighting the friends of terrorism here in our homeland is up to us.

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The Genius of Pragmatism

John C. Hottinger

September 11. A national security disaster and collinear economic crisis beget rapid expansion of the federal government by an administration only a conservative could otherwise have

loved. Only those untouched by the hand of practical reality would find this response surprising. The events have muted the ritualistic mantra of ever smaller government. Small government is the luxury of the privileged and the powerful, the complacent, the comfortable, and the ideologically rigid. The concept attracts adherents during times of peace and plenty, and is deserted quickly when community interests and public needs become larger goals. At times like these, the ideology of individual indifference to the common good loses any connection to popular thought. The question is not how to return to that indifference, but why should we?

Those locked in the embrace of the rigid right and inflexible left need periodic reminders that the American public's primary political philosophy—and its genius—is pragmatism. When the rhetoric of the true believers becomes too righteous, rigid, or ridiculous, the public rejects it. Ordinary citizens embrace neither big government nor small government. They just want enough government: enough to provide security, necessary public services, and restraint on commercial abuse. They understand that the private sector has little direct incentive to deal with items of public principle, community benefit, or civic preparedness. They understand that a small-government philosophy grounded in the unrestricted supremacy of private profit seeking over public principles handicaps the enhancement of public goods and provides the most benefits to those

who have personal advantages in a commerce-priority society. They also understand that a big-government philosophy tied to the concept that majority thought should always prevail over individual choices is the antithesis of our heritage of individual independence and freedom. The public wants government of a size sufficient to reach our common goals.

September 11 has changed the world. The public learned that national preparedness is not solely a function of military might and security capabilities. A few fanatics with box cutters did unimagined damage to our national self-confidence and economy. It appears that national preparedness in our much-trumpeted global economy also means attending to our international policies in a context of how others view us. As we have driven toward a private global economy that advances our economy in good times, we have also created a global interdependence that exposes broad populations to the impact of negative events or selfish goals. As we crave the opportunities of a global economy, we have to also accept the responsibilities of that global interdependence.

The public also learned that comprehensive national preparedness is a function of domestic infrastructure. We were reminded that in times of crisis we need to be able to rely on others—including government. Ideology-driven efforts to reduce the size and cost of government have not only affected our military investments, but have also meant cutting corners on public health

systems and municipal responsiveness. The expansion of government following September 11 includes much reconstruction work to restore or strengthen the public infrastructure we silently abandoned on the journey to small government.

The wisdom of a return to the small-government campaign has to be judged by our new knowledge in a vastly different world. Our leaders, haunted by the rhetoric of the small-government/antitax movement, seem afraid to ask our citizens to make the personal sacrifices necessary to maximize our responsiveness. In this war, victory will come when we broaden support for our ideals of justice, freedom, democracy, and individual opportunity in a world where the enemy has convinced many that our only ideals are financial acquisition and religious righteousness.

We are in a war in which no dramatic day of victory is likely to eliminate the threat of terrorism. When will the risks be reduced so that we are in a position to again grow lax in our public health infrastructure? When will we have the luxury of recklessly shredding public education with divisive experiments in privatizing knowledge? When will we again be able to sacrifice human resources and opportunities by failing to develop the skills of people limited by barriers of poverty, physical capacities, or prejudice?

The American public, with its pragmatic attraction to realistic solutions, won't receive favorably an ideological fixation on small government if that fixation ignores our changed world.

Absolutist ideology has a hard time when it runs up against practical reality.

Senator John C. Hottinger, a DFLer from Mankato, is assistant majority leader in the Minnesota Senate.

What Can—and Should— Be Smaller

George Karvel & Thomas Hamilton

Once the war on terrorism is won, it may not be possible for the United States to maintain its commitment to homeland security and prevent new threats from arising if those actions currently causing the size of government to increase (homeland security, airport security, seaport security, ABM—"Star Wars" defense systems, Postal Service protection systems, Internet security) are retracted. This is a mutually exclusive choice: keep spending on all levels in all programs, and, therefore, keep government large; or choose programs that are necessary to maintain homeland security, economic vitality, and domestic tranquility for all citizens, which will allow other government programs to shrink, but, at the same time, will require sacrifices from the majority of citizens whose personal interests and entitlements would have to be reduced or eliminated.

What needs to be done to assure that government becomes smaller depends on what can, and should, become smaller.

According to the Internal Revenue Service booklet explaining how to fill out IRS form 1040 for tax year 2000, the federal government had income of

\$1,827 billion and outlays of \$1,703 billion. Of the outlays, over three-fifths (61 percent) was spent on Social Security, Medicare, retirement, social programs, and physical, human, and community development. Approximately one-fifth (19 percent) was spent on paying down the national debt and interest payments on that debt. The remaining one-fifth (20 percent) was for law enforcement, general government, national defense, veterans' affairs, and foreign affairs. In other words, we were doing quite a good job of providing internal, cultural tranquility by governing in a decisive, discriminatory manner through appropriation of private goods and transfer payments (social programs) that make many Americans feel good about life in the USA. Yet those items that all Americans consume equally and without discrimination as pure public goods, such as national defense, interstate commerce, and law enforcement, make up a relatively small proportion of all expenditures.

Looking at the income side of the equation, we see yet another story. According to an October 12, 2000, report issued by Daniel F. Skelly, director of the IRS Statistics of Income Division, personal income (48 percent) and corporate income (10 percent) taxes constituted approximately 58 percent of the \$1,827 billion in revenue. Social Security, Medicare, unemployment, and retirement taxes secured another 34 percent of the revenue stream. The remaining 8 percent came from estate, gift, excise, and miscellaneous taxes.

What seems interesting is that of the personal income tax revenue of \$877 billion (48 percent of the \$1,827 billion total), the top 50 percent of taxpayers paid over 95.8 percent, and the top 10 percent of taxpayers paid over 65.5 percent. Conversely, 90 percent of individual taxpayers contributed \$447 billion (only 24.5 percent of revenues). A minority, including all corporations plus one in ten personal income tax filers, contributed about \$757 billion (about 41 percent of revenues). Social Security, retirement, unemployment, and Medicare basically paid for themselves (about \$620 billion). A tiny minority of Americans fund—for the benefit of a large majority of Americans—all other social welfare and income redistribution programs; physical, human, and community development; and national debt accounts.

This information can assist us in answering the question of what can and should become smaller. It would appear that, in an entrenched, representative democracy that is held hostage by special interests and other political groups that continually promise various benefits and entitlements to the majority, nothing will be done for fear of upsetting the cart—the same cart that ensures political longevity and social complacency. The result is that the majority will continue to elect those officials who represent and act upon the majority's interests and concerns. Also, since the majority of Americans are net recipients of services, and, assuming that this situation will continue after the war on terrorism is won, those in the

majority who demand comfort, guidance, and personal financial security from Big Brother will continue to demand big-government solutions: benefits, entitlements, and financial windfalls.

Our nation's ability to reduce the size of government may have been lost forever. All that remains is to keep government as small as possible and to preserve and maximize personal liberty and freedom. But, as Gibbon warned in describing the decay and collapse of the Greek city of Athens, "In the end, more than they wanted freedom, they wanted security. They wanted a comfortable life. And in their quest for it all—security, comfort, and freedom—they lost it all. When the Athenians wanted finally not to give to society, but for society to give to them, when the freedom they wished for most was the freedom from responsibility, then Athens ceased to be free."

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Strength and Focus

Mary Kiffmeyer

In an uncertain and dangerous world, it makes sense for the United States to have a strong military at all times, not just temporarily. Yet it is difficult to convey the benefit of a large military for deterrence purposes during relatively peaceful times, and some elected officials advocate scaling back during

less threatening periods. This presents an opening for big-spending liberals—an opportunity of which they never fail to take advantage.

Invariably, the federal budget remains large even when the military is scaled back, with social program budgets backfilling the gaps left by the receding defense budget. The trouble is, when a national threat emerges, the rest of the budget is not scaled back to make way for increased military spending. The federal budget simply increases.

This process repeats itself, with social program spending filling the gaps vacated by reduced military spending. Over time, we have a sort of hopscotching effect with an upwardly spiraling budget.

Ending this cycle is a difficult challenge, because conservatives are as much to blame as liberals.

Sure, the liberals are ready, with their expensive social programs in hand, to commandeer every budget dollar they can, but the conservatives allow them to do it. In their zeal to cut budgets, conservatives too often look to the military. This is easy for conservatives, who are viewed as "hawks"—their commitment to the military is not questioned, and their calls for cuts are deemed prudent by opinion leaders. Not surprisingly, liberal "doves" readily go along with military cuts.

Equally challenging, but far more effective, would be for conservatives to seek cuts in social spending to accommodate increased military spending. Yet conservatives shy away from suggesting social spending cuts for fear of being characterized as cold and uncaring.

Perhaps it would make strategic sense for conservatives to aim for maintaining a relatively high state of military readiness at all times, their inclination to cut during peacetime notwithstanding, thereby not creating openings for liberals to inject social spending.

Moreover, this strategy would make sense for practical defense purposes. Having a strong military at all times surely would provide an ongoing deterrence benefit for our country, and might even prevent the need for occasional buildups. Also, national defense is a function that just about everyone agrees is a core function of the federal government and would be easily justified to the public.

Still, an argument needs to be made for focusing federal resources on core functions, and conservatives have not done this well. Without focus on core functions, the national government generally tends to experience “mission creep” and to federalize functions that should be left under local control.

More specifically, the military also should return to focusing on its core functions.

It is difficult to argue against federal government delivery of social programs or to argue for federal government involvement only in core functions when the military itself is involved in noncore social-service functions. Yet this is exactly the situation now.

The military has, since World War II, moved into providing social services for its personnel, their families, and other related groups. Even in times of peace, the Defense Department should

focus on being a sleek, efficient military operation and refrain from delving into social service functions.

In short, budget restraint would be realized more easily if the federal government would focus on its core function of providing national defense, and if the armed forces would focus on specifically military functions.

In the aftermath of September 11, Americans once again have seen the need for a strong military. Perhaps with our new international threats being so widely dispersed and potentially difficult to target, it will be easier for conservatives to argue for a truly conservative federal government: a focus on core functions, a consistently strong military, and a well-focused national defense.

Mary Kiffmeyer, a Republican from Big Lake Township, is Minnesota's secretary of state.

The Persistence of Bureaucracies

John Kline

Government actions since the attacks on September 11 have confirmed the premise of this exercise; Washington is building up for the war against terrorism. There is no doubt that our national security is at stake, or that we need the government to fight this war. Beyond those givens, there are many avenues open for exploration in deciding how we build up and how we scale back.

Looking at those many avenues, I believe the only real hope of responsibly scaling back the size and reach of

the federal government is to exercise great caution as we increase its size and reach. Our history shows that once a federal agency or department is created, it never goes away. A bureaucracy always fights not only for its survival, but also for its growth. A bigger share of the budget and more power are its inevitable goals.

Previous efforts to “reinvent government” or to significantly reduce the size of the civilian workforce in the federal bureaucracy have proven to be exercises in futility. Even when they are initiated by (or ordered by) very serious cabinet secretaries, they sputter and die. When Dick Cheney was the secretary of defense, he was adamant about reducing the size of OSD, the Office of the Secretary of Defense. This bureaucracy, inhabiting much of the E Ring in the Pentagon and other prime Washington real estate, is much larger than the name would imply.

Cheney ordered an across-the-board reduction to eliminate the fat. The 10 percent reduction was to be made over a three-year period. After a somewhat successful first year (reduction by attrition), it got real hard. The reductions continued, but the intent was circumvented in many clever ways (the most common being to replace a government employee with a private contractor). As difficult as it was to “scale back” across the board, it was apparently impossible to actually eliminate an office or agency or department. It was just too hard to set priorities and abolish offices that were less important to our nation’s defense than others. Bureaucracies simply outlast political

appointees. The bureaucrats are there long after the secretary has departed to write his or her memoirs.

Earnest efforts to eliminate the Departments of Energy and Education and Commerce have all failed. Similar attempts to abolish the National Endowments for the Arts and the Humanities and any number of other “programs” have died.

Inevitably, when we have reduced the size of the federal government, we have done so by shrinking the end strength of the active-duty armed forces. I expect that will occur again, with all of the painful effects both on our national security and on the lives of those in uniform.

If we are concerned at the prospect of a federal government growing in size and power, and I expect we should be, we must take corrective action early. Beyond increasing the size of the armed forces (which we **must** do), when given a choice, we should use the private sector to enhance our security. Where that is not possible, we should rely on state and local governments. When the need is beyond the reach of these authorities, we should increase the size of an existing federal department or agency. We must resist vehemently the creation of a **new** federal bureaucracy. When extra powers are granted to the government, we should be careful to ensure that they are necessary, that they are restricted to the purpose for which they are needed, and that they are not granted in perpetuity.

Failure to put these mechanisms for elimination in at the **very beginning** (and it is already getting late) will

guarantee a larger, more cumbersome, more powerful, more intrusive government for my grandchildren to grapple with when *they* have gray hair.

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Neither Orwellian Nightmare nor Economic Statism

David L. Knutson

The central question of whether there can be a scaling back of a bigger government after our country's initial response to the events of September 11 is rather a question of whether our new war against terrorism can ever be "won."

Our response to this war will have some effect on individual privacy and liberties in our own country to protect the safety of our nation. The resulting question then is how we balance liberty and freedom with safety and security. Granted that the latter need to be stressed right now, how do we prevent ourselves from being locked into a pattern that will minimize freedom and maximize security for years to come?

Decisions made now will determine the future "American way of life" that we—or certainly our children—will experience. To be concerned about overexpansion of government power and its permanency because of our current wartime footing is certainly legitimate. Americans, threatened by diseases and ruthless terrorists, are

more accepting of security measures that would ordinarily seem extreme.

However, I question the assumption that the conservative push for limited government must now be indefinitely sidelined. The difference between "big" government and "intrusive" government should be properly appreciated. For example, it took a large-scale government effort to construct the interstate highway system, yet it would be difficult to argue that it trampled our liberties. In fact, the opposite is probably true given the increase in accessible travel and communication.

Likewise, the measures involved in winning our current struggle need not portend either an Orwellian nightmare or economic statism. We will not be attempting to overwhelm our enemies with massive industrial output and troop strength, as in most previous wars, but with stealth, technology, diplomacy, and focused application of superior military power. The defense budget only needs to be "built up" because of its neglect during the previous presidency. Even with a 50 percent increase, defense spending as a share of gross domestic product would be lower than it was in the mid-1980s.

Other essential steps include enhanced border control and enforcement of visa restrictions; tightened security at sites likely to serve as terrorist targets, particularly airports, government buildings, nuclear power plants, financial institutions, and food and water suppliers; stockpiling of essential vaccines and medicines; increased "on-the-ground" intelligence collection;

expansion of personnel and facilities to deal with bio/chemical weapons; short-term financial assistance to economic victims of terrorism; and long-term tax cuts to spur new growth and capital formation.

These are “big” government issues primarily because they require some additional spending, an increased presence of security personnel, and heightened scrutiny and monitoring of foreign visitors. But I would argue that these efforts don’t have to be the kind of “intrusive” government measures that strike at the Bill of Rights promised to American citizens. They may or may not be rolled back in future years depending on the state of peace in the world, but we should not expect that they will be what stands in the way of achieving a conservative agenda in such areas as the economy, education, health care, and welfare reform.

In fact, it could be a good thing if Washington, D.C., seriously refocused on the duties that the Constitution clearly foresaw for it: national security and foreign policy. Myriad federal nonessentials and trumped-up special interest causes have usurped state and local authority for years with no appreciable payback or elimination of problems.

The threat of “big” government in this new war may be more of a threat to our historical foundations of freedom and liberty than the buildup of forces and munitions to fight the wars of the past. We must fight for balance. But there are, of course, no guarantees other than that it will indeed be work. Thomas Jefferson called “eternal vigilance” the price of liberty, and Ben-

jamin Franklin said that the Constitutional Convention created “a republic, if you can keep it.”

America has always emerged from its struggles with our country intact and free. Americans can handle what is before us today. We can avoid the mistakes of the past, recognize and prevent real threats, maintain our guarantees of freedom and liberty, and raise our children to do the same.

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Deliberative Democracy

William A. LeMire

We the people of the United States, in order to form a more perfect union, establish justice, ensure domestic tranquility, provide for the common defense, promote the general welfare, and secure the blessings of liberty to ourselves and our posterity, do ordain and establish this constitution for the United States of America.

The horrible events of September 11, 2001, test our country with a momentous issue: can our nation provide for the common defense while securing the blessings of liberty? Or does the unique character of this twenty-first-century war on terrorism force our nation to provide for the common defense while deferring or subordinating the blessings of liberty? History demonstrates that, in times of war, government grows and liberty yields. America’s new war on terrorism already shows such signs as Attorney General

Ashcroft petitions Congress for more power to wage war and enforce the law. An expressed purpose of our federal government is, however, to provide for the common defense and wage war on those who threaten our freedom. Therein lies the rub for our nation. How do we secure our freedom consistent with freedom?

In our nation, the process for enacting legislation is not easy. Various interests and ideologies are the machinery through which any successful legislation must pass. Indeed, enacted legislation often bears little resemblance to the legislation as originally conceived. The scrutiny that shapes and molds legislation as it moves through our deliberative process is the assurance we need to guard against any tendency of our government to overreach during these trying times. We have already witnessed this process in reaction to the terrorist attacks.

Our nation's reaction to the terrorist attacks was visceral. We heard immediate cries for national identification cards, expanded powers for investigative agencies, greater surveillance capability, greater latitude for law enforcement and the like. Attorney General Ashcroft, understandably, was the first to ask for such broad power. In response to an ineffable tragedy, our human nature—indeed, our anger—reacts without sober reflection. It is not surprising that the legislation immediately proposed after the tragedy pressed for law enforcement and intelligence power that threatened our personal freedoms. Similarly not surprising (and,

indeed, encouraging) was the reaction of lawmakers like Representative Bob Barr, a Republican from Georgia. Barr led the charge to carefully scrutinize legislation or requests for additional power that might threaten our personal freedom. Barr's efforts have resulted in legislation being modified to roll back initiatives that would have curtailed our personal freedom or unreasonably expanded the reach of government. Our Constitution recognizes our natural human impulses and tamps them by requiring legislation to survive scrutiny.

Among our greatest assets as a nation are our resiliency, our deliberative form of democracy, and our intellectual industry. These assets will serve as the greatest assurance against government overreach during our current crisis. Assurance will also come—as it must—from watchdog groups and individuals who regularly advocate on behalf of certain liberties and ideologies. It is incumbent upon organizations like Center of the American Experiment, the American Enterprise Institute, the Cato Institute, and other conservative and liberal think tanks to remind our federal government that there is an extremely delicate interplay between securing the blessings of liberty and providing for the common defense, and that one should not be sacrificed at the altar of the other. To the extent that some incremental infringement is deemed necessary during these critical times, such legislation should be enacted with time limits or sunset provisions that give freedom-threatening legislation a short shelf

life. Such provisions are particularly appropriate in wartime.

We are right to be concerned about the expanding reach of our government during this time of crisis, but we must also place trust and faith in our form of government. Our deliberative form of democracy has successfully ushered us through many challenges in our nation's history, and it will do so now. This issue of *American Experiment Quarterly* is an integral part of our deliberative process. I am confident that our nation will continue to secure the blessings of liberty while providing for the common defense. Call it cautious faith, but I place great trust in our democracy and our deliberative form of government to guide us through this national crisis while preserving our precious freedoms.

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Measures of Success

Grover Norquist

Until the economic slowdown and the attacks of September 11, President George W. Bush and the conservative movement were on track to reduce the size and cost of government by half over the next twenty-five years—one generation. When the Republicans captured the House and Senate in 1994 the federal government spent 22 percent of gross domestic product (GDP), and this year that is down to 18 percent. Modest—very modest—spending restraint and economic

growth based on the market's knowledge that the GOP could and would stop any tax hike or massive new federal program combined to shrink government as a percentage of the economy. (State and local governments are another story—their spending has drifted upwards.)

The war has unleashed a torrent of political demands for more and new federal spending and expanded police powers for the state, and Congress has already promised \$40 billion plus an airline bailout bill. The good news is that President Bush has drawn a line in the sand on additional spending and promised to veto legislation that would spend more than the budget agreement he and Congress worked out prior to September 11. Already, more than a third of the Senate has signed a letter promising to support any presidential veto. And the "stimulus" bill the president wants is primarily a \$60 billion to \$75 billion tax cut.

How can the conservative movement strengthen the good instincts of our president and get the government back on a secular trend toward smaller government? We must quantify our goals so that we, the president, and our opponents can measure our successes or failures. I suggest four measures.

First, total government spending as a percentage of GDP. It has been 18 percent for the federal government and 30 percent for federal, state, and local. If this drifts up, we are losing. If it moves down, we are winning. Governors should be rated each year on how well or poorly they did. The president must see that he has had a good year if

the number drops. He is losing if the federal percentage grows.

President Bush's reform of Social Security that would allow Americans to invest their FICA taxes in personal savings accounts would "privatize" 20 percent of the federal budget and bring us 40 percent of the way to cutting the federal government in half. Medicare reform, further welfare reform, and phasing out farm subsidies and corporate welfare would help shrink the federal government.

The second measure is the percentage of GDP absorbed by regulatory costs. The president can and should reduce the cost of federal regulations each and every year.

Third is total government employment. We have had some backsliding in John McCain's demand that we nationalize the baggage screeners—28,000 more government workers who cannot be fired. Government can and must be downsized to make up for this movement in the wrong direction. Privatizing the Postal Service would drop some 800,000 federal workers from government rolls.

The fourth measure of government size is the amount of assets owned by federal, state, and local governments—land, buildings, pension funds, and so on. There is \$3 trillion in state and local pension funds that can and should be privatized by making all government workers' pensions defined-contribution pensions—IRAs, 401(k)s—rather than defined-benefit plans. Airports, water systems, land and buildings, and the Postal Service can be privatized.

We cannot keep the president and

our governors accountable unless we give them a measure of success or failure. These four measures of the size of government can be examined each year, and we will know if we are winning or losing. The good news is that President Bush shares our goal of reducing the size and cost of government and he has worked to minimize the backsliding caused by the necessary spending to win the war.

Grover Norquist is president of Americans for Tax Reform in Washington, D.C.

To Provide and Promote

Marvin Olasky

Cassius Clay of Kentucky, an antebellum antislavery editor and politician, knew how to respond to hostile crowds. In the 1840s he typically picked up a Bible and said, "To those who respect God's word, I appeal to this book." Then he held up a copy of the Constitution and said, "To those who respect our fundamental law, I appeal to this document." Then he took out two pistols and his Bowie knife and said, "To those who recognize only force . . ."

If Clay's name sounds familiar, it's because Muhammad Ali changed his name from Cassius Clay during the 1960s. Ali said he didn't want "a slave name," and that was his right—but the original Clay freed his own slaves and risked his life many times to help free others. Clay fought many duels and survived some assassination attempts as well. His lifetime record of about 107 wins and no losses might be compared to Muhammad Ali's 32–4 pro record.

Now that we are in a war against those who would assassinate America, we do need to make parts of big government bigger. Conservatives, though, worry that we are reinventing an engorged government that will resist going on a diet once the war is won. (That may take many years.) The concern is valid, but a solution is evident: adopt an updated Cassius Clay posture, with three arguments—Bible, Constitution, and a readiness for political skirmish—deployed as necessary.

Most Americans respect biblical teaching, and the Bible is clear on government's proper function. Biblically, government's chief role is to wield "the power of the sword" against both external enemies and internal criminals. Government is needed to terrorize terrorists and other evildoers, so soldiers, cops, and judges are needed. The role of government, though, is not to construct a new Eden or to reconstruct society by using its power to redistribute income.

The prophet Samuel was among those who realistically examined the tendencies of government and issued a warning about what a king would do: "He will take the best of your fields and vineyards and olive groves and give them to his attendants. He will take a tenth of your grain and of your vintage and give it to his officials and attendants. Your menservants and maidservants and the best of your cattle and donkeys he will take for his own use. He will take a tenth of your flocks, and you yourselves will become his slaves."

Those Bible lessons are important, but many Americans believe we have

outgrown them. For them and for all of us who respect the Constitution as written, the Preamble to that great document makes a memorable distinction. It notes that the federal government exists to "provide for the common defense" but to "promote the general welfare." There's a huge difference between providing and promoting; the choice of those particular words was not accidental.

Providing means doing the job yourself. The government has an army; religious organizations, the Lions Club, and the American Atheist Union do not have armies, because Washington's job is to provide for the common defense. **Promoting** means developing a favorable environment within which others are likely to step up. The federal government was not involved in fighting poverty during the nineteenth century, but American churches, synagogues, businesses, and civic and fraternal associations fought a war on poverty then that was far more effective than our capital-W War of the 1960s and 1970s.

It is constitutionally right to grow a big government for defense when we have potent adversaries abroad. It is constitutionally wrong to grow a big government for welfare, especially since civil society can accomplish many of the tasks that government has taken upon itself. We have lots of ways now to promote the general welfare; my favorite is to establish a \$500 tax credit for contributions to antipoverty groups. Each taxpayer could send a check for \$500 to a group he saw as effective, and take that money right off his taxes. President Bush proposed a

version of that during his presidential campaign, but it lost out in the postinaugural shuffle.

All Americans should learn the constitutional distinction between providing and promoting. But what if proponents of big government for domestic purposes pay attention neither to the Bible nor to the Constitution? Then conservatives will have to wage political warfare, or a government that defeated terrorists may turn to terrorizing its own citizens. Cassius Clay used his Bowie knife, but we will need a president who uses the bully pulpit to fight for the spending we need and fight against that which benefits the princes of Washington but turns other citizens into paupers.

Marvin Olasky is a senior fellow of the Acton Institute for the Study of Religion and Liberty.

A Call to Attention

David Pence

Crisis does not mandate expansion. Crisis sharpens a sense of both purpose and duty. President Bush was reading to schoolchildren on the morning of September 11. Now he meets with adults who do the civic work of protection and infrastructure. The fireman and the civil engineer have replaced Al Sharpton and Rush Limbaugh as icons of public life. President Bush's homeland security leaders are learning a forgotten lesson of the early Cold War—that 90 percent of civil defense is the coordination of emergency

responses by already existing local institutions. These new lessons will not expand the federal government.

Here are four limits that September 11 will define.

Monotheism and limited government. It is not the “Great Satan” who was awakened on September 11. America at war is always America under God. Lincoln reminded us, “We have grown in numbers, wealth, and power as no other nation has grown; but we have forgotten God. . . . Intoxicated with unbroken success, we have become too self-sufficient to feel the necessity of redeeming and preserving grace, too proud to pray to the God who made us.”

America is not a land where a chicken fills every pot and a different god is worshipped in every household. Religious liberty is not a rejection of monotheism. America's separation of church and state does not imply a practical atheism in public life. It affirms that man's freedom is in fact ordered toward worship—his highest and most defining activity. It is because we believe in one God and the duty of individuals and communities to worship Him that we have constructed our system of limited government, free markets, private property, and religious liberty. The crisis of September 11 sharpens our self-definition. We will lose the war against terrorism if we hoist the banners of secularism. Our flag was not sewn by wealthy atheists peddling pornography. We are neither a naked public square nor a theocracy. We are a monotheistic democracy. God is Sovereign so our government is limited.

City limits and national defense. As leaders of the homeland security project try to defend the huge American land mass, they will relearn what Tocqueville taught 160 years ago. The genius of American politics is the creation of policing municipalities in the form of local governments—cities, suburbs, towns, and, in the South, counties. This protective strategy decentralizes police power and allows multiple strategies of protection and infrastructure modulated by geography and population size. American homeland defense is already up and running. It is our local police, fire, water, and public works departments. Protection, infrastructure, and community define American public life lived out in a thousand municipalities. Local government is not a “farm team” for national offices. Both parties must learn this lesson of limits.

Male conscription and the limits of total war. The two great casualties of the sexual revolution were the separation of sexual intimacy from the marriage bed and the abandonment of the protective duties of sex roles. The assault on male protective roles labeled policemen as pigs and soldiers as murderers. The assault on female protective duty defined abortion as an act of liberation. Men said they had no duty to protect their country; women said they had no duty to give birth to their young. For the purposes of this symposium, our comment on this great disruption emphasizes the **limitations** that the sexual division of protective roles places on a state at war. Men from

eighteen to thirty-five are eligible to be drafted, but adult women are free to manage family and home life. Requiring all men to do military duty creates a color-blind military powerful enough to ensure national survival. Exempting women protects the primary institutions of home and family from the leviathan state.

Limiting one's enemies. To define the enemy narrowly and allies with a broad and generous brush was Churchill's great talent in World War II and America's great deficit during the Vietnam era. To fight domestic terrorism we must establish protective presence and civic order. Airports are in the news, but our big cities are the real battlegrounds. The foreign policy incoherence of Vietnam led to our national aphasia on race and urban crime. The September 11 attack masquerading as an Islamic jihad will have an opposite effect. Homeland security will bring a new resolve to help urban neighborhoods win the war against crime. Cutting through the cover of color that has masked domestic criminality is directly analogous to our foreign policy task of not allowing the cover of religion to trap us in a war against Islam.

Panic in crisis leads to expansive goals and exaggerated fears. Focus in crisis sets limits and defines purpose. September 11 was not a mandate to expand but a call to attention.

Dr. David Pence is a radiation oncologist at Abbott Northwestern Hospital and editor of City Fathers magazine.

The Era of Big Government Is Over (Well, Maybe Not)

Tim Penny

I wrote a retrospective on the Clinton era earlier this year in which I suggested that the era of big federal government had, in fact, ended. Or so it seemed.

During Bill Clinton's tenure, welfare reform ended a sixty-year entitlement by transferring primary responsibility for welfare back to the states. Clinton's reinventing-government initiatives (RIGO) streamlined and downsized the federal workforce. Rhetorically, the Social Security lockbox was a great sound bite, but practically speaking, this policy stopped the routine raid on payroll taxes for other government purposes. In fact, debt reduction became the preferred use for these Social Security Trust Fund surpluses.

That was then and this is now.

The past few months have reminded us all just how fragile long-term projections can be. In January 2001, the budget surplus for fiscal year 2002 was projected to be over \$300 billion. Recent analysis by the Congressional Budget Office suggests that a weakened economy combined with tax cuts and various spending initiatives will result in a return to deficit spending for the year.

Clearly, the tragedy of September 11 and the resulting war against terrorism will necessitate significant federal expenditures.

History teaches us that bigger government typically follows a war. In the aftermath of World War II, the National Security Act of 1947 expanded the size

and scope of the State Department, consolidated military affairs in a new Department of Defense, and established the Central Intelligence Agency to respond to the developing Cold War. Similarly, the current war against terrorism will lead to a restructuring of our defense apparatus and a concomitant (temporary?) increase in defense expenditures. It can be expected that our allies in the Arab world, particularly Pakistan, all look to us to provide increased aid and humanitarian assistance. The key, however, is to respond to this new national security challenge while avoiding, as much as possible, funding commitments that have long "tails."

Domestically, America must do what it takes to rebuild New York City and the Pentagon. We must strengthen security here at home, starting with our airports. We must appropriately respond to those individuals and sectors most affected by the economic downturn. But, here too, that need not mean a return to big government and fiscal irresponsibility.

Appropriately, since September 11, Congress has advanced \$40 billion—much of which will go to rebuild infrastructure and provide relief to individuals and families directly affected by this national tragedy. Before final action on a broader economic stimulus package, however, Congress should be reminded that a great deal of stimulus is already in the pipeline. Last summer's tax cut provided an immediate rebate that reached taxpayers during August and September. Another \$70 billion of tax relief will take effect in 2002. As the economy declines, various safety-

net programs also begin to kick in. From unemployment compensation to food stamps to Medicaid, tens of billions of dollars will automatically flow to those most directly affected by the recession. Any additional assistance must be carefully targeted. Naturally, interest groups will attempt to seize the moment to demand higher funding for their favorite programs in the name of “stimulating the economy.” Congress must resist the impulse to respond to these demands and instead stipulate that any stimulus funding will not be built into the permanent budget baseline.

Tim Penny, a former Democratic member of the U.S. Congress, is a senior fellow at the University of Minnesota’s Humphrey Institute of Public Affairs.

Terror and Leviathan

Sally C. Pipes

If the recently concluded century has a lesson, it is that the state advances through crisis. Robert Higgs charted this growth in *Crisis and Leviathan*, and it extends right down to our paychecks. The practice of the state getting our money before we do, for example, is a relic from World War II, and was supposed to be temporary.

The trick with the current crisis, besides destroying the mass murderers who attacked our country, will be to prevent turning back the clock to the steroidlike growth of government that occurred during past conflicts. This calls for clear thinking about some basic realities, such as the role of expanded

government in allowing the current crisis to happen in the first place.

It is generally conceded that the government has been doing a poor job of intelligence, particularly human intelligence, which carries a hefty price tag but cannot be replaced with high-tech gadgetry. National leaders need to ask whether a reason for this failure is that the state was too busy spending in areas where its role is a matter of debate.

It is an open question, after all, whether the nation should be in the housing business, the food-stamp business, or financially rewarding young women for having children out of wedlock. The \$5 trillion spent on failed “Great Society” programs would have bought a lot of intelligence. So would the millions spent pursuing Bill Gates, whose work has enhanced our economy, rather than Osama bin Laden, who blew up our embassies.

Those calling for a “federalizing” of airport security need to reflect on the reality that a government paycheck is no guarantee of superior performance. A glance at the U.S. Postal Service or the California Department of Motor Vehicles should suffice to convince doubters.

As John Lott of the American Enterprise Institute has pointed out, the superior security in Europe has been achieved, since the early 1990s, through private airport screening. Governments set standards, but private firms do the job, at Hamburg, Frankfurt, Amsterdam, and Brussels. In Britain, private companies provide security for the gate, crew, and even

catering. Hijackings have decreased since these services were privatized. Even Israel uses private firms for some airline security operations.

In wartime, the left suddenly becomes a spending watchdog and is fond of maintaining a running count of how much the military campaign is costing taxpayers. Fair enough, but this should be matched with an updated account of what it costs to maintain, for example, the U.S. Department of Education, which we did very well without before the late 1970s, the Department of Housing and Urban Development, OSHA, and the rest of the regulatory regime.

There is little question that the government needs more information to provide better security. But the government would make a better case for gaining such information if it were not doing such a poor job of safeguarding the sensitive data it already has. For example, just hours after the Department of Justice posted details of the Carnivore review process (the FBI's e-mail wiretapping system) on its Web site, computer users were able to uncover secret information about the reviewers, including their ranks and security clearances.

These flaws were not surprising given that, over the past couple of years, the General Accounting Office has issued several reports that federal agencies are "fraught with weaknesses," putting the nation's assets and operations "at risk." This shows that even after government is repeatedly warned of problems and even when it does its best to protect the data it holds, it

often fails. If Americans are willing to allow the government extended powers of surveillance, those new policies should carry a built-in review, perhaps after three years.

As President Bush has noted, the fight against terror requires patience, along with considerable resources. But this is no time for advocates of smaller government to retreat. Indeed, we should all live our lives as usual, as the president urges us to do. If anything, the military campaign against mass murderers makes a stronger case for reducing waste in other areas of government and privatizing as many services as possible. That case needs to be made clearly and forcefully if the growth of government is to be curtailed.

Sally C. Pipes is president and CEO of Pacific Research Institute, a California-based think tank.

National Character and External Threats

Tom Prichard

Terrorism or any other external threat and expansive government are more related than some people might think. Ultimately, they are both attacks on liberty, whether from without or from within. In both instances we must be vigilant and fight these attacks on our liberty.

This truth was noted by Samuel Adams, cousin of President John Adams and "Father of the American Revolution," when he said, "A general dissolution of principles and manners will

more surely overthrow the liberties of America than the whole force of the common enemy. While the people are virtuous they can not be subdued; but when once they lose their virtue they will be ready to surrender their liberties to the first external or internal invader.”

Adams points out that threats to a nation and its people are not only external; they are also internal. Today, **the** external threat to our liberties has come into clear focus—terrorism. We as a nation must do whatever it takes to defeat this threat; our survival as a free people depends upon it. The heinous attack on the World Trade Center has rallied and galvanized the nation to take action. Undoubtedly that resolve will only harden with future attacks on American soil.

The internal threats are very real, yet harder to understand and address. A major internal threat to our liberties is the seductive appeal of government’s offer to take care of us in return for the people giving up more control over their children’s education and upbringing, their family’s health care and retirement.

In the long run, internal threats are a greater threat to our liberties as a people because they are so insidious and subtle. They lull people into passivity. You don’t realize you have a problem until it’s too late. History is strewn with wreckage of nations that failed to recognize this truth.

That doesn’t mean we shouldn’t marshal all our resources and energies necessary to win the war against terrorism. We must make sacrifices to defeat our external foes. Government expen-

ditures will need to grow dramatically to fight the war. Greater government demands will be placed upon us as a people in terms of both financial and personal sacrifices. Many will make the ultimate sacrifice—laying down their lives in defense of our country.

We must scrutinize proposals granting government greater powers to ensure that they are directly related to the war effort and not merely a pretext for expanding the role of government in non-war-related endeavors. We must ensure that resources are well spent on the war effort by establishing a congressional commission, like the one headed by Harry Truman during World War II, to review the use of funds.

What needs to be done, then?

First, we must see the threat of terrorism as a grave national threat, especially in the nuclear age. Our leaders should not be hamstrung in their efforts to destroy terrorists and those who promote terrorism.

Second, we must realize there are also threats to our liberties from within. The expansion of government control in the areas of education, health care, and retirement will only weaken our national character and our resolve to ward off external threats by encouraging people to abdicate personal responsibility.

Finally, we must realize that our ability to resist “invaders,” as Samuel Adams noted, ultimately rests on our virtue as a people. Through our character and moral resolve we will face down and defeat our external foes. To defeat these foes, we must also oppose efforts that weaken our moral character as a people

by those who would, as George Washington said in his Farewell Address, subvert those “great pillars of human happiness”: religion and morality.

Tom Prichard is president of the Minnesota Family Council.

Dollar-for-Dollar Reductions

Lawrence W. Reed

On September 20, 2001, a joint session of the U.S. Congress and millions of citizens here and abroad heard a powerfully eloquent address from the president of the United States. It was strong, firm, confident, and memorable. It will surely rank as one of the best any chief executive ever gave on the Hill. It filled all but perhaps a few with pride and hope that our president will succeed in vanquishing an evil foe. If it had been baseball, it would have been a triple.

By virtue of its absence in the speech, however, one not-so-small item kept the president’s address from being a home run—a strategy for ensuring that the present crisis does not become a permanent excuse for permanently bigger government. A major reason government almost never retreats to its former size after it engages a common foreign foe is that we don’t start downsizing until it’s too late. The time to do so is at the onset of the crisis itself, or as soon thereafter as we can get the politicians to muster the courage.

The president could have begun the process in his speech of September 20 had he included something like this:

“My fellow Americans, times of emergencies are times for prioritizing,

Just as you in your home or business must reorganize your affairs when crisis grips, so must the federal establishment. We will not repeat the ‘guns and butter’ mistake of the Johnson years when Washington thought nothing of fighting a major war and ballooning its domestic spending at the same time. That produced thirty years of deficits, soaring inflation, and a bloated government we’re still trying to pay for. We’re not going to fight a major war and pretend that it’s free or that everything else in the budget is just as important.

“Moreover, I intend to safeguard the federal surplus and, even more importantly, to safeguard the pocketbooks of all you hardworking citizens whose unflagging sacrifices are already paying the bills of the most gargantuan central government in American history.

“Accordingly, I am announcing tonight that this war—whatever its costs—will be paid for dollar for dollar by reductions in other areas of government spending. To make it real, let me offer a few examples.

“Lots of artists are on the federal dole. Now please don’t misunderstand me. I love art. But in wartime, art isn’t priority number one. It ain’t even priority number one million. I will demand of Congress that all subsidies to the arts and the National Endowment for the Arts be abolished. To my artist friends who will have to seek sustenance elsewhere, here’s my advice: Take a page from the Girl Scouts. Sell cookies. If you can’t do that, here’s a novel idea: Sell your art! You’ve got a whopping 280 million prospective customers out there, so hit the bricks. And

to all other Americans, let me assure you that there will still be plenty of art to go around. Washington didn't buy any of it in the 1940s, and even at the height of World War II, America was as culturally and artistically advanced as any nation on the planet.

"That's just for starters. We're going to eliminate the more than \$80 billion identified by the Cato Institute as outright corporate welfare. And we're going to stop dishing out taxpayer money to bankroll left-wing outfits and a zoo of pork barrel projects. And since there's essentially nothing to show for the billions spent annually by the federal Department of Education, we're going to take an axe to that bureaucracy as well—and put the schools back in the hands of state and local folks just like you.

"And if we have to push the envelope in crimping civil liberties, we will do so in both a minimal and a temporary fashion. The preservation of our civil liberties must be among the measures by which the American people judge how my administration deals with this crisis. Will we be at least as free when all is said and done as we were before all this started? If not, I will have failed a mighty important test of any leader of a free people.

"We will get our priorities in order here in Washington. Government's most important function—indeed, the single most legitimate one under the Constitution—is to keep the country safe. All else pales by comparison."

The president did not say these things on September 20, but the day is still young. He can still say them, and

all freedom-loving Americans should be urging him now to do so.

Lawrence W. Reed is an economist and president of the Mackinac Center for Public Policy in Midland, Michigan.

War and Taxes

Lynn Edward Reed

The Facts

In a source I long since lost, I remember reading that federal revenues jumped from \$1.60 per person in 1860 right before the Civil War to \$20 per person at its close. I wondered what the effect of other wars on federal revenues was.

Until recently, I hadn't bothered to find an answer to that question, but from the graph on the next page, it is clear that wars have had a dramatic impact on federal revenues. The obvious peaks from the Civil War and World War I periods (and even a little bump for the Spanish-American War) are completely overshadowed by World War II, but wars' effects on revenues are plain.

Just as plain is the fact that only after the Civil and Spanish-American Wars did the government scale back its revenues to prewar levels. Furthermore, in the "peace dividend" years of the 1990s, with the Cold War over, federal revenues shot up as a percent of gross national product to approach levels of the heaviest World War II expenditure year of 1945. Before the Bush tax cuts, estimates for 2001 were that revenues would pass that 1945 percentage for the first time in the nation's history.

Any realistic assumption about the next few years surely will be that IRS revenues will climb as a percent of GNP. Is there any correspondingly realistic scenario for reducing these revenues, once the war on terrorism has subsided?

A Place to Start

I would suggest that the only possible way for revenues to fall is through changes in the income tax. I am not convinced it is mere coincidence that federal revenues failed to drop to pre-World War I levels in the 1920s only a few years after the income tax was passed in 1913. Once the income tax spigot is turned on it is difficult to turn off.

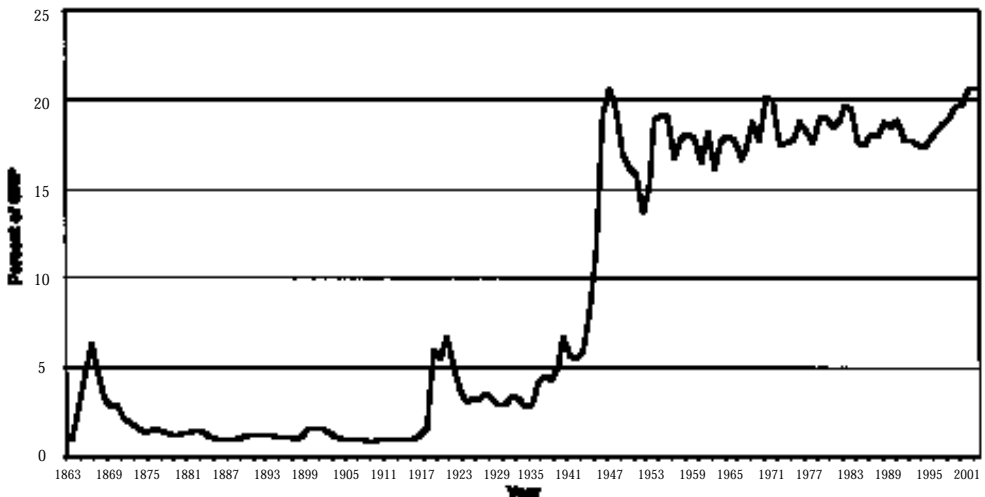
Fast-forward to World War II. Given the magnitude of this war and our dominant role in it, few would decry the need for the massive revenue increases shown in the graph, but added to the income tax engine in that

war was the “temporary, emergency” measure of income tax withholding. Prior to 1943, taxpayers had to write a check for the total amount due. With the war on, Congress was persuaded to enact withholding to facilitate and accelerate collection of historically high income tax liabilities. Again, is it mere coincidence that income tax collections never fell back to prewithholding days?

The first structural change that would facilitate a postwar reduction of federal revenues is eliminating income tax withholding. Withholding has conditioned voters to view net pay as their actual income. Too many taxpayers judge the tax by the size of their tax refunds.

A second structural change to consider is elimination of the progressivity of the federal income tax statutory rates (i.e., higher rates for higher incomes). Such a rate structure is practically *designed* for more spending, by pitting

IRS receipts as % of GNP, 1863–2001



the majority of federal spending beneficiaries (and politicians who cater to them) against the minority of federal income tax contributors. For example, in 1998, about 2 out of 100 income tax returns (those reporting incomes above \$200,000) accounted for over 40 percent of the income tax liability. Widely diffused government benefits financed by a highly skewed income tax all facilitated by the oil of withholding leave little wonder that revenues climbed to wartime levels even during the demilitarization of the 1990s.

Before the income tax, the federal government relied on tariffs and excise taxes. A return to these would drastically cut the ability of the United States to provide even for its defense. An alternative to the income tax that has received considerable attention is a national sales tax. If states' objections to such a tax at the federal level cannot be overcome, a flat rate "consumed" income tax that allows for a deduction for all savings might also be a good alternative. The idea is to spread a more visible tax burden over as many voters as possible, so they better know the cost of services promised them.

To prescribe these "solutions" is immediately to see their political problems, so let me propose what is a likely precondition to the more "mechanical" suggestions discussed here. We need more political leaders who value liberty and the role of personal responsibility more than financial security and victimization and who are willing to make their case to the voters. If we do not challenge the view of government as the solution to all of our problems

(or as the means to perpetual reelection), there will be no end to the demand for more revenues.

Lynn Edward Reed is research director of the Minnesota Taxpayers Association.

The Devil in the Details

Dean Riesen

Conservatives must differentiate between one of the legitimate roles for government, ensuring our security, and the areas where government must be rolled back. In fighting terrorism and increasing security, there are many opportunities for conservatives to show the legitimate and illegitimate roles for government. We are handling three related issues at once. First, the victory over the Taliban and our desire to restore legitimate government to Afghanistan. Second, the long-term battle against terrorists and the governments that harbor them. Third, the economic recession that has been accelerated and deepened by the events of September 11.

Given our victory over the Taliban, we must identify the military weakness that has crept into our system since the Gulf War and commit to the expansion of the military necessary to ensure that we are better prepared for the next battle. This does not mean funding every new weapons program the military and its contractors have on the drawing boards but making strategic choices on how to strengthen our military response in the future.

In the long-term battle against terrorism, we must strengthen our homeland defense by making our airports

secure and having plans to prevent biological, chemical, and nuclear terrorism, as well as systems to contain the damage if an attack occurs. I think everyone agrees that government must get bigger and become more intrusive for us to be successful in these areas. The devil is in the details.

I'm not sure whether delaying airport security for two months over whether baggage checkers are federal employees or not is wise. We want them to be federal workers. The people are not happy to find out the government/private sector solution, prior to September 11, was to allow the airlines to get together and award the contract to the lowest bidder, no matter how pathetic its track record: allowing known felons to be employed, having employees who couldn't speak English and didn't care about their work. At the same time, these companies would routinely fail spot security checks. We must, however, resist the desire to create another government bureaucracy. Airline security should be treated as a military activity with military-like control and execution.

Government will have to become more intrusive. We can't have a situation like we had in Minnesota: the FBI was unable to get a warrant to search Zacarias Moussaoui's hard drive and was unable to match its field report on him with a report at FBI headquarters from the French secret police on his terrorist associations. He was sitting in a Minnesota jail because of immigration violations! We had him—and evidence that might have prevented all or some of the attacks.

The related acceleration of the recession, which had been slowly building momentum, provides ample opportunities for conservatives to delineate the difference between appropriate intervention and inappropriate expansion of government. The fires were still burning in New York when industries and pressure groups were lining up at the government trough.

The amount and timing of the airlines' request for money made me sick to my stomach. Why should the taxpayers bail out an industry that had been losing money for years and had excess capacity it couldn't fill just because its inherent weakness was shown to be fatal in the weeks following September 11? The government should have allowed the appropriate consolidation that is necessary after the expansion in planes and flights that has occurred. But putting hundreds of millions of dollars into airlines that shouldn't even exist makes no sense. Given the massive layoffs announced immediately, it is hard to see who benefited other than the shareholders, and those benefits are most likely only temporary.

The government's role at this point is to help build confidence in consumers, both individuals and businesses. This can be done first by winning the war on terrorism and preventing future attacks. Second, the government can return taxes to and not collect taxes from its taxpayers, both businesses and individuals, so that they have more income with which to buy things they need and want. This is what generates demand.

Conservatives must stand up for the appropriate expansion of government in the areas of defense, security, and economics. We must remain vigilant against those who want to use this as an opportunity to turn back the conservative tide of history.

Dean Riesen is CEO of Riesen & Company in Excelsior.

More Capital, Not Always More People

Joe Selvaggio

Once I asked a prominent British industrialist if it was irresponsible for some of these large corporations to have massive layoffs.

“No, I think the sin is in hiring the unnecessary people in the first place,” he said.

I start with that quote because I think we should not automatically accept the premise that we should build up the government now (because of terrorism) and then be forced to “scale it back” once the threat is gone.

Sometimes it’s necessary for governments to apply large amounts of capital to a problem (because the market changes or a security threat emerges), but they don’t necessarily need to hire more people. They can contract out the work in the private sector. That way, if and when the situation changes, they can get rid of the expense without needing to directly lay off or fire so many employees. In private industry this is called “outsourcing.”

Take the cleanup of the World Trade Center, for example. It’s a public

problem, so taxes are needed to pay for it. But I don’t think anyone is advocating for the Public Works Department of New York City to do the work. The city hires construction workers to do the cleanup. On the other hand, most of the rescue work had to be done by the fire department to ensure public trust. Government workers can do some things better, and private sector employees can do some tasks better than government employees. President Bush was wise to point out that it will be very difficult to fire federal employees if they take over security at airports. Vigorous debate is needed to determine which employees can do the better job for the least amount of money.

And money matters. Besides, the private-public sector competition is good for both the government and private industry.

But let’s be clear. A small government in terms of employees does not equate to a small government in terms of budget. We can reduce the size of government in terms of employees, but a small government in terms of budget and taxes will be a lot harder to achieve. The number one obligation of a government is to ensure the safety of its citizens. And the way the world is today, with so much discord and terrorist mentality out there, I suspect we are going to spend a much greater share of our budgets protecting ourselves. September 11 was a cold shower on our complacent confidence in our safety and inviolability.

The best we can hope for is to contract out as much as possible to the private sector. The market imposes a

ruthless kind of efficiency when it is functioning properly. But when a company is functioning without competition, it can be just as bureaucratic and unproductive as the maligned federal bureaucrat. That is why we forbid monopolies. Incentives such as those built into the highway reconstruction system in California after the latest earthquake destroyed bridges and highways should be used when competition is limited.

If the work needs to be done by a federal employee, the system must allow for the ability to fire someone with relative ease. It's hard enough to fire someone in the private sector for nonperformance. It's much too difficult to fire a federal employee. Unproductive workers are a disservice to the taxpayer, whether the employee is a federal or a contracted employee.

Let's save money by good management principles, not some predetermined ideology.

Joe Selvaggio is executive director of the One Percent Club.

Loyalty to Longtime Allies

Rita J. Simon

The world has changed as a result of the events on September 11, 2001. More lives were taken on September 11 than on any other day in the United States since the Battle of Antietam during the Civil War, and, unlike at Antietam, the casualties on September 11 were overwhelmingly civilian. Almost twice as many people were killed than were killed at Pearl Harbor on December 7, 1941. No longer will

any country in the world feel safe from acts of terrorism. For the United States, this is an especially world-changing event. Even during the worst days of the Second World War, when our military was suffering defeats in the Pacific and the Germans were still on the offensive in Europe and North Africa, did we experience the high security alert that is transforming our country today. And there are only a few of us who believe that we have seen the end of major terrorism attacks on the United States. The discussion rather focuses on when—in the next few weeks or months? Where—New York and Washington again, or Chicago, Los Angeles, or other parts of the country? What and how—chemical, bacterial, explosions—what form will the attacks assume?

It is still too soon to say how long security alerts will continue and perhaps more importantly what changes will occur in our society vis-à-vis the rule of law and due process. What laws will be enacted that will intrude on, and limit, our traditional and legally enforced sense of privacy and freedom of movement? In the past—during the Civil War and World Wars I and II—we relinquished some of our civil liberties. During the Civil War we did away with habeas corpus. Will the American public support incursion on our civil liberties?

And what of our behavior toward our longtime allies, of which Israel is the best example? What the terrorists hate about Israel—its Western ideas, its freedom, and its democratic institutions—they hate about the United

States. India should also be included. In our desire to include the broadest coalition that will support our actions against Osama bin Laden, the Taliban, and perhaps Saddam Hussein, will we weaken our ties with Israel and India in order to gain the support of Saudi Arabia and other Arab countries, as well as Egypt, Indonesia, and Pakistan, maybe even Syria and Iran? Will we be silent about human rights abuses among our newfound allies or about terrorism in all its forms? Israel and India are the two democratic societies in North Africa, the Middle East, and Central Asia. Let's not forget that, and let's not cut deals with enemies that endanger the stability and well-being of our longtime allies.

In this new world we find ourselves in, we should be willing to make some—and I emphasize *some*—sacrifices of our civil liberties; but it is important that we not take measures that cause us pain and embarrassment in the future. I am thinking of our imprisonment of Japanese and Japanese American people during World War II. The Justice Department's November 8 decision to listen in on the conversations of lawyers with clients in federal custody, even with persons who have been detained but not charged with any crime if the department believes it is necessary to prevent terrorism, might be an instance of our government going too far.

Rita J. Simon is a University Professor in the School of Public Affairs at American University and president of the Women's Freedom Network.

Rebirth of Serious Politics

David Strom

Liberals, and some conservatives, seem convinced that the war on terrorism will usher in a new era of big government. After a decade of unprecedented peace and prosperity, citizens had become increasingly critical of the bureaucratic state, but the new security threat that we face will drive Americans back into the arms of a strong and growing state.

Fortunately, this analysis will soon prove to be more an expression of the liberal's hope than an accurate reflection of reality.

While it is surely true that the war on terrorism will lead Americans to take their politics and their government more seriously—and be willing to accept more limits to their freedoms than before the events of September 11—it simply does not follow that Americans are longing for or need a more European model of big government.

In fact, the war on terrorism could aid the cause of politicians who are truly serious about limiting the size, scope, and wastefulness of the federal government. Over the past decade, Americans have looked at national politics as almost an extension of local political concerns. Bill Clinton was elected president on a platform more appropriate for a mayor than for a commander in chief. The bridge to the twenty-first century was to be built by federal funds for cops, teachers, and day care workers. Bill Clinton survived his scandals because most Americans saw little difference in stature between

the commander in chief and Washington, D.C., Mayor Marion Barry.

National politics in the post-September 11 era will be—and should be—defined by much weightier and more serious issues than the war on tobacco and issues more pressing than the availability of day care in various parts of the country. We must expect more out of government, more of our politicians, and, most importantly, we must require them to prioritize, leaving state and local issues to state and local government. The true work of the federal government is too serious to be diluted.

And that is just the point. The politics of the 1990s was based on a fundamental lack of seriousness about government. The politics of this decade will most likely be defined by a rebirth of serious politics, and serious politicians. If I am correct about this—and admittedly that is a very big if—conservatives will actually have an opportunity to scale back some of the sillier extensions of government power in favor of more vigorous action on the truly important matters before the government.

Americans are hungering to wage the war on terrorism and are willing—in fact eager—to make sacrifices to ensure success in the war effort. Conservatives should be taking this opportunity to argue the virtues of limited but vigorous government, focused on providing for the common defense and promoting the general welfare rather than on becoming an all-purpose nanny state.

David Strom is legislative director of the Taxpayers League of Minnesota.

Conservative Consistency

D. J. Tice

While war has always mightily aided campaigns to enlarge government, it's not clear that war, in itself, creates any lasting passion for a more powerful state. The Civil War dramatically increased the authority of the federal government. But a widespread desire for more federal clout—especially where slavery was concerned, but in other areas, too—existed before the war, and even, in a sense, helped cause the war.

Similarly, World War I merely accelerated a growth of government power that the Progressive movement had been successfully promoting for decades. World War II and the Cold War merely solidified the “mixed economy” vision and gargantuan social engineering apparatus that Roosevelt's New Deal had been about all along.

In truth, the popularity of explicit socialism probably peaked in America in the 1930s. The wars against Nazism and communism may have kindled Americans' doubts about where radical statist ideas could lead. Postwar prosperity also helped.

In short, war can rout the last pockets of resistance to an era of government expansion. But this only seems to happen when leaders and citizens want government to grow for reasons unrelated to war.

America's Revolution could easily have produced a utopian tyranny, or even a Napoleon, if that had been the aim of the revolution's leaders. But George Washington and the other

framers wanted to found a limited republic, so they did. The Vietnam War, while inspiring a new, starry-eyed left, also fueled doubts about the left, and about government power generally, among many moderate Democrats. Within five years of its end, Vietnam was followed by the Reagan revolution, not by a new burst of government growth.

The point is that it's the underlying public sentiment that counts. Conservatives need not despair that the war on terror must inevitably and permanently wound the movement for smaller, decentralized government. In the short run, the war will doubtless provide cover for much wasteful spending. We'll have the National Security Performance Art Fund and a thousand other absurdities. But over time what will matter is whether the American people believe larger government serves their broad best interests. It is conservatives' business, as always, to see that they don't.

There is an opportunity in this challenge. Conservatives must, with or without war, better explain the difference between functions that are properly and necessarily government's—above all, defense and law enforcement—and functions better left to the marketplace. By steadfastly supporting the war effort while resisting, with equal tenacity, spending and regulatory schemes masquerading as security measures, conservatives will have many chances to describe the distinctions. Supporting new standards for airport security while resisting the federalization of all security personnel has been a good start at defining the line.

A difficult issue concerns expanded law enforcement powers to combat terrorism. There are real needs for tighter security and streamlined prosecutions, but also real dangers of an overreaction that undermines civil liberties and hands government hazardous arbitrary powers. Conservatives need to be seen seriously working toward balance. The cause of smaller government could be damaged if it appears that conservatives are sanguine about a radical erosion of basic rights.

Opportunistic campaigns for “war-related” corporate bailouts and subsidies and even tax cuts must also be met by principled conservative opposition if the credibility of the smaller-government argument is to be maintained. Promoting as “war measures” policies that might well be justifiable (quite apart from war) but haven't succeeded politically in peacetime may only fuel cynicism about conservative veracity.

One can't persuasively lampoon the “national security” need for farm subsidies or enhanced unemployment benefits on Monday and on Tuesday promote corporate tax rebates as somehow critical to America's war effort. This is true even if the business tax break is, in itself, a good idea.

Yes, war creates dangers for the smaller-government cause. But let's remember that self-inflicted wounds are one of those dangers.

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Straightforward Rules

Jim Van Houten

Increasing government security activities is an important public policy goal. The arguments being used to justify needed activities, however, are of concern. Some comments seem proof of H. L. Mencken's warning that the aim of politics is to keep the population alarmed and therefore clamoring for new programs.

America's challenge as we carry out this expansion will be to limit government growth to what is necessary, and only for as long as needed. Unfortunately, our track record in achieving this is not good. Two examples:

- The U.S. Department of Agriculture has known for decades that two key objectives, farm productivity and retaining small family farms, are in conflict. Since controversy alienates support, a great deal of DOA money has been wasted on a two-pronged public relations campaign. The major accomplishment has been to avoid clear accountability for achieving either objective.
- And then there is P. J. O'Rourke's report that there are still as many traffic cops in Havana as there were before the revolution—when Cubans actually had cars. Is anyone surprised?

The question of how big government should be has received a lot of attention from some pretty smart people. Milton Friedman, for example,

devoted much of his life to this topic. His writings suggest that we remember three big ideas:

- The scope of government should be no bigger than absolutely necessary.
- Government power should be dispersed as much as possible (cities are better than states, states better than federal, and federal concentration the worst of all).
- The purpose and scope of any new taxpayer-paid activity should be precise, and not subject to evolving interpretation.

If we can agree on Friedman's points, the challenge is to implement programs that will be guided by these parameters. There is also a wealth of past thought on this topic.

Back when Cuba still needed a lot of traffic cops, Professor Peter Drucker was describing management practices to achieve outcomes comparable to Friedman's basic points. Drucker advised managers to:

- Make sure that all budgets, especially those for large expenditures and multiple years, have precise, measurable objectives.
- Repeat the budget analysis process when new needs arise. In other words, each proposed new activity should be forced to earn its own approval. Those in charge must wrestle new goals from the expansionist grasps of those directing existing programs.
- Plan a program's end as carefully as its beginning. An independent

manager should be responsible for reporting on the precisely stated goals and evaluating the need for continuance.

This is all pretty straightforward. We know the need, we know the risks of doing too much for too long, and we know how to do better. Perhaps most important, we also know that our track record in achieving the right balance isn't very good. There is no reason to assume the American people will have the right balance without a vigorous public debate.

And there's also no doubt about something else: this is a big deal! The risk to our struggling economy and long-term freedom is much greater than the cost of too many traffic cops in Havana more than forty years after the revolution.

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Government's First Responsibility

Tim Wilkin

The first responsibility of government has always been to attend to the safety and security of the people it serves. Any analysis of government action after September 11 must be viewed with this in mind. We now find ourselves in a state of war. This is not just any war; it is a war that started on American soil. Those of us entrusted to make the laws of our state and nation

must respond to the war by enacting laws and taking steps that protect our population from foreseeable danger—whether it is conventional, biological, or chemical.

The war must not, however, be used as an excuse to expand bloated programs or create new ones. For instance, making all security personnel at airports federal employees does not serve a public purpose that cannot be satisfied just as effectively by the private sector. Certainly, there needs to be reform in this area, such as increased training and supervision of airport security personnel to prevent further incidents and gain public confidence. Blindly federalizing workers simply instills a false sense of security.

A little historical perspective might be helpful. Big government programs that had their birth with past wars are unlikely to sprout at this time. During World War II and the Vietnam War, government was relatively small compared to today—although growing at a rapid rate. This allowed the start of ongoing government programs. Today, big government is the status quo. It is more difficult to add large programs for two reasons. First, we already have programs for virtually every situation. Second, we just don't have a great deal of additional capacity to pay for additional programs without incurring economically stifling taxes.

In assessing the current government response, a distinction needs to be made between ongoing programs and onetime expenditures. The airline "bailout," for instance, was a onetime

expenditure. It is justified on the principle of indemnification. When the government shut down air travel for four days following the terrorist attacks, it was directly responsible for the airlines' lost revenues. Since the industry was already battered by the economic downturn, the loss of revenues could have pushed many airlines into bankruptcy. Just as I am responsible for replacing my neighbor's window when I throw a rock through it, the government needed to accept financial responsibility for the shutdown. No doubt it was a good decision to stop air traffic while officials ensured the security of the system, but the airlines needed to be indemnified for their loss—a regulatory taking.

Government also has a role in protecting its citizens from increased threats of bioterrorism and chemical attacks. Minnesota already had certain contingency plans in place before the attack, and resources dedicated to this problem, but the September attacks and the subsequent anthrax attacks have made the threat more realistic. It has also focused our attention on whether we are truly prepared for a massive attack or whether our efforts to date have just scratched the surface.

There are many questions that must be answered during the next legislative session in Minnesota. Are we ready for

the multitude of attacks that might be made on American soil? Are our quarantine laws sufficient to allow the government to contain the spread of deadly diseases without unduly infringing on civil liberties? Are there sufficient penalties to deter those who would perpetrate a hoax attack, taking up valuable law enforcement time and resources? If additional resources are needed by law enforcement, who will pay? Is our health care system up to handling a mass epidemic?

We must also recognize that while we value foreign visitors, their presence in the United States is a privilege and not a right. Our law enforcement must have all the tools necessary to make sure that legal aliens are not acting against U.S. interests while they are within our borders and must have the power to expel those who do not respect our laws or security.

The war on terrorism is no excuse for growing government. It is, however, a historic opportunity to get government back to its original mission—to provide for the common defense.

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