



CLIPPING THE WINGS OF HIGH-FLYING GOVERNMENT AUTHORITY

Engaging spokesmen hone the Founders' message of limited taxation

BY RICHARD W. RAHN

The bad news is, once again the U.S. economy performed poorly. On Friday, the government announced that the economy actually shrank during the first quarter of this year, with the gross domestic product down at -0.7 percent. The Obama administration and its supporters blamed it on winter and the labor slowdown at the Pacific ports. (If global warming starts occurring in reality rather than just in the models of climate alarmists, the economy would grow faster — right?)

The good news is, more and more people, and even some in the mainstream media, increasingly understand that the economy is stagnant because of overregulation, wasteful and counterproductive spending, and excessive taxation. Recent polls show that even Democrats think we have too much government. Good economists — those who actually look at the real world and how it behaves rather than how they would like it to behave — have long understood the downside of too much government. The trouble is most economists are boring and, hence, not really

listened to. Milton Friedman, however, was not boring — and many non-economists paid attention and learned from him.

Those of us who favor more liberty, more economic growth and more opportunity understand that these things require less government. We are fortunate that the intellectual students of Friedman and Friedrich Hayek continue to carry the ball in very practical ways. Three of the most influential are Ed Crane, Art Laffer and Grover Norquist. Art Laffer taught many Americans, including many politicians, that tax rates and tax revenues are two different things and tax rates that are too high bring in less revenue (the Laffer curve). Despite being a professor of economics, Mr. Laffer is able to communicate in a way that anyone can understand.

Ed Crane, through his creation of the Cato Institute and his many speeches, made the idea of being a libertarian both intellectually and politically respectable — and is in line with the thinking of most of the American Founders. Grover Norquist is the master of explaining the need for limited government and how to organize victory. Messrs. Laffer, Crane and Norquist are not only exceptionally smart and talented, but are also three of the funniest men alive. The endless good humor they exhibit goes far in making their message seem far less threatening to those who are afraid of loosening the binding apron strings of government.

As a personal aside, I have been very lucky to have known Art Laffer, Ed Crane, and Grover Norquist for most of our adult lives. Ed and I have a "Committee to End Death and Taxes" — which has the added benefit of having no official meetings or dues.

In his work for tax reform, Grover Norquist developed many, often fun, ways of restraining and even downsizing the government leviathan. Grover is an exceptionally skilled and witty writer and speaker, so he is never boring. For example, in his new book "End the IRS Before It Ends Us: How to Restore a Low-Tax, High Growth, Wealthy America," Grover reminds us of a short and amusing history of the growth of government, taxes and regulation, and the reasons for it. Many of us may not be aware that

we are still paying a "temporary" phone tax that was passed in 1898 to fund the Spanish-American War. Only 680,800 (rich) people had phones at the time. As Mr. Norquist explains: "The nasty Spanish had attacked us (or something) and we certainly had to defend ourselves by conquering Cuba, Puerto Rico, and the Philippines and Guam and Saipan. It was national defense. It was patriotic. And wars against 'empires' as weak as the Spanish don't last very long this would be a temporary tax. Promise. A tax on the rich (check). A hidden tax (check). A tax for war (check). A temporary tax (check)." A tax still being paid by the 95 percent of Americans who have phones.

Grover Norquist has been around long enough to know not to present just one solution (which would never be adopted) to the problem. Instead, he lays out many constructive things that both elected officials and ordinary citizens can do. Grover is the perfect example of how one citizen can make a difference. Thirty years ago, he created the Taxpayer Protection Pledge, which candidates for political office are asked to sign. Almost all Republican candidates do sign it, and most stick with it once elected, which has kept the Republicans in the Congress from voting for a tax increase for decades. It is easily demonstrated that federal taxes are lower than they would have been if it had not been for Grover.

Grover also created "The Leave Us Alone Coalition," with the simple insight that most religious and social conservatives, taxpayer protection groups, the Second Amendment (gun rights) folks, small-business people, libertarians and economic conservatives, despite many differences, all agree on wanting less government in their lives. The coalition has been so effective in bringing together disparate groups in a common cause that weekly "Grover meetings" have now been formed in many states and foreign countries.

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