He's No Ronald Reagan

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Peter Berkowitz August 10, 2009

On July 29, 1981, barely six months into his presidency and in the face of an economic crisis of historic proportions, Ronald Reagan succeeded in persuading both houses of Congress to pass dramatic tax cuts that set the stage for nearly three decades of vigorous economic growth. In doing so, he achieved a goal he had long and publicly pursued. In his most watched and influential speeches, Reagan had consistently called for just such substantial tax cuts. Indeed, he had made them a centerpiece of the conservative governing philosophy he had propounded on the national stage for going on two decades.

Barack Obama, barely six months into *his* presidency and in the face of another economic crisis of historic proportions, has unsuccessfully pressed Congress to pass, before its summer recess, comprehensive and costly health care reform that he contends is critical to the nation's long-term social and economic well-being. But neither this nor the other complex and far-reaching proposals Obama has sought to enact with heedless speed can readily be derived from his most influential speeches. Indeed, these measures, all dramatically extending federal power, are at odds with the governing philosophy, at once progressive and moderate, that he assiduously put before the public.

One can quarrel about the efficacy and justice of the Reagan tax cuts and the Obama health care expansion, but one thing is plain from the political styles that these presidents have brought to the passage of their signature domestic legislation. Reagan's forthright approach is more consistent with democratic norms and the presuppositions of a free society than Obama's hide-the-ball tactics.

In October 1964, Reagan delivered a speech on national television sponsored by Barry Goldwater's campaign that placed the aging actor on the path to the presidency. All the familiar elements are present in "A Time for Choosing." To preserve "the freedoms that were intended for us by the Founding Fathers," Reagan argued, it was imperative to rein in government by cutting taxes and curbing spending, and to defeat rather than accommodate communism.

In July 1980, in his acceptance address to the Republican National Convention, Reagan declared that limiting government to preserve individual freedom was his paramount domestic goal, and he repeated his campaign promise to achieve it by passing "a 30 percent reduction in income tax rates."

And in January 1981, in his first inaugural address, confronting high inflation, high unemployment, and high taxes, President Reagan famously proclaimed that "in this present crisis, government is not the solution to our problem; government is the problem." Seeking

(unsuccessfully, it turned out) to avoid misunderstanding, he insisted, "It's not my intention to do away with government" but "rather to make it work." That required "removing the roadblocks that have slowed our economy and reduced productivity." A critical first step was "to lighten our punitive tax burden" inherited from the Carter era.

So when, in late July 1981, the House and Senate passed tax cuts that averaged about 25 percent for individuals and included substantial reductions for business, no competent observer could claim to be surprised, except perhaps by the new president's political skill in assembling congressional majorities despite the Democrats' numerical superiority in the House and the skepticism of leading Republicans in the Senate. To be sure, over the course of eight years in office Reagan fell short of his aims, failing to reduce the size of government and spending and piling up large deficits. But there was never confusion about what those aims were.

In contrast, there seems to be considerable confusion about President Obama's aims, and plenty of competent observers were flabbergasted shortly after he took office when, notwithstanding an economic crisis that he himself declared the worst since the Great Depression, he called for and signed into law a \$787 billion stimulus package short on stimulus spending, high on transfer payments, and larded with pork aimed at pet Democratic party special interests; rolled out a 2010 budget that, according to Congressional Budget Office projections, would quadruple the 2008 Bush deficit that candidate Obama had decried as intolerable; and announced his determination to pass comprehensive health care reform before year's end although the flaws in the current health care system had nothing to do with the toxic assets and frozen credit markets afflicting the economy.

To be sure, there could be little doubt that Barack Obama was a partisan and progressive Democrat. He explicitly defined himself as a progressive in his 2006 bestseller, *The Audacity of Hope*, and his voting record in the Illinois State Senate and during his brief tenure in the U.S. Senate was decidedly left-liberal.

But in *The Audacity of Hope*, where he elaborates his understanding of constitutional principles and contemporary politics, and in his highest-profile speeches, he presented himself also as a moderate, one who understands that politics is the art of the possible, that principles must be applied with a sense of proportion, and that progressives have blind spots and conservatives sometimes speak the political truth.

In the electrifying keynote address at the 2004 Democratic National Convention through which he introduced himself to the nation and launched himself toward the White House, Obama deftly blended progressive and moderate notes, declaring that "people don't expect government to solve all their problems," but they do expect it to "make sure that every child in America has a decent shot at life and that the doors of opportunity remain open to all." He endorsed John Kerry's belief "in an America where all Americans can afford the same health coverage our politicians in Washington have for themselves." But he said nothing about

government-run insurance. And he offered an eloquent appreciation of the unity that underlies competing perspectives on morality and politics in America, affirming that "there's not a liberal America and a conservative America; there's the United States of America."

In his 2008 Democratic National Convention acceptance speech, Obama highlighted the need for America to be more decent, generous, and compassionate. Hinting at the scope of his progressive ambitions, he declared that "now is not the time for small plans." But his promise of "affordable, accessible health care for every single American" was not accompanied by any mention of the massive government intervention in the economy that he has sought to deliver. By keeping his big plans for health care brief and vague and embedding them in a speech that celebrated individual freedom, hard work, personal sacrifice, and the opportunity, entrepreneurship, innovation, and growth that free markets bring, Obama, moreover, encouraged a rapt nation to think that any big plan for health care reform that he might back would give the market its due and reflect bipartisan ideas and support.

Then in his Inaugural Address six months ago, Obama again invoked "big plans." But he modestly limited himself to calling for raising health care's quality and lowering its costs. And again he honored conservative sensibilities and indicated an inclination to balance competing considerations by praising the American commitment to individual freedom and noting that the market's "power to generate wealth and expand freedom is unmatched."

In short, Obama's most carefully calculated words gave reason to believe that the candidate of hope and change, who proclaimed his intention to transcend partisanship, would seek health care reform that proceeded pragmatically, respecting market forces and building consensus. His most watched speeches certainly provided cause to discount any suggestion that he would exploit a severe recession to centralize government control of nearly one-fifth of the American economy or that he would support health care legislation that rushes to expand coverage while neglecting the impact of such legislation on health care quality and costs.

Recently, the Democratic party-appointed head of the Congressional Budget Office created a furor by testifying to Congress that Obama's big plans for health care reform will increase costs and may prove unsustainable. His assessment, however, was incomplete because it did not take into account the costs to democratic self-government of the cynicism bred and the trust eroded by a president who increasingly appears to have deliberately obscured the principles and policies according to which he intended to govern.

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