

# Forbes

## Behold! The Incredible! Shrinking! Federal! Government!

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I have long suspected that the agons of professional wrestlers are, somehow, choreographed, the winner of the struggle predetermined. Now I find myself observing our national political struggles with a similar skepticism

We, recently have been treated to the release of a Congressional memo that reflects badly on one side or the other, all depending upon one's "strong priors." We have been treated to two mini-government shutdowns. The #3 official in the Justice Department resigns, to great trepidation among the talking heads.

Plenty of woe is shed upon the resignation of a couple of lower level White House aides for alleged domestic misconduct. American high officials express consternation over Kim Jong-un's invitation of President Moon Jae-in to a summit in Pyongyang. Congress decides to let its belt out another notch or two, the better to feast at the trough.

And so forth.

This is not the essence of politics as I have known and lived it. These events lack the grand sweep of an epic narrative. Politics, at its best, is about the Big Picture: Peace, Dignity, Prosperity and Ecology. The epic Cold War narrative in tatters, entering its final stages of collapse. Uncle Sam, dominates our lives less and less.

Good.

Spoiler Alert: What we are watching is the final throes of the end of the era of Big Government. What follows looks and feels like anarchy to those whose fortunes are wedded to the State. That said, mere anarchy is not loosed upon the world. We, rather, are observing the return to normalcy: limited government and a vibrant private sector, socially and economically.

As the dashboard of that red Tesla roadster heading toward Mars says: DON'T PANIC. Meanwhile, SpaceX has just shown that it can lift payloads at less than 10% of the cost of the government's SLS. One *can* imagine that there just might be panic on Capitol Hill about NASA's billion-dollar-per-launch booster having just been rendered by private enterprise so obviously obsolete.

Good.

The proclamation of the end of the era of Big Government may seem counterintuitive. Isn't government getting bigger?

Yes, and no. I tease my friends at the uber-libertarian Cato Institute about how grateful I am for their work. Since Cato's founding, in 1974, by Ed Crane, Murray Rothbard, and Charles Koch, it has managed to grow the federal government from a staggering \$982 B/year to a svelte \$4T/year, a mere quadrupling (not accounting for inflation or population).

*By jingo, thank Cato for Small Government!*

I further tease my long-suffering friends at Cato by quoting from the first chapter of *Moby Dick*:

With a philosophical flourish Cato throws himself upon his sword; I quietly take to the ship.

Let us hope that my friends at Cato will stay the impulse to throw themselves upon their swords and quietly take to the ship. Because, notwithstanding the nominal quadrupling of the size of the federal government since its founding, the news, hidden in plain sight, is actually pretty good.

Yes. Uncle Sam Wants You!

But we, it is growing clear, don't want Uncle Sam.

There is a reason for this. We, The People, grew a rather tiny federal government to gargantuan proportions for very good reasons (now fulfilled). How tiny was the United States government in the Good Old Days? So glad you asked. As I wrote here:

*The federal government spent \$15 billion from 1789 – 1900. Not \$15 billion a year. \$15 billion cumulatively.* Uncle Sam will spend \$10 billion a day in 2011. The federal government spends more every two days than it did altogether for more than America's first century. Although these sums are not adjusted for inflation they give a correct impression of the magnitude of the change from what our Founders set forth and our early statesmen delivered.

Spending, now, in two days what used to take over a century to spend gives some idea of how big Big Government has grown. More properly it shows how delightfully small the federal government was during its Originating, Mythic, Epic, and early Historic eras.

What happened to cause this spectacular growth of government?

There was no coup. There was no conspiracy by a cunning elite.

It was a century of war. It was We, The People, who decided to pump up Uncle Sam into a formidable and ferocious scourge of even Bigger Governments: Empire and Tyranny.

Then ... we won. We brought down the empires and destroyed, or, alternatively, tamed the tyrannies. It's taking a while for the magnitude and implications of those victories to sink in. But the light is dawning. We, The People, created Big Government for a purpose, to bring down even Bigger Governments. It served that purpose, nobly and admirably.

Now We, The People, are restoring government to the small cuddly size appropriate for the dawning Golden Age of peace and prosperity. Here follows, with an apology, 100 years of history in five minutes. Take five minutes to understand this crucial framework.

Before World War I, around 80% of the population of the world was governed by Emperors (and had been for millennia). About a decade later -- with the fall of the Austro-Hungarian Empire, the Qing Dynasty in China, the Tsar-crossed Russian empire, and the Ottoman Empire -- the

Imperial world order collapsed. The Fall of Empire was the beginning of the end of the era of Big Government.

Empire, and its fall, was more than an era. It was an epoch.

Out of the ashes of Empire tyrants of the left – National Socialists (Nazis) and fascists – arose in Western Europe. So, Americans kept Uncle Sam big to destroy the Nazis and fascists and replace the tyrants of Western Europe and imperial Japan with classical liberal republican governance. It was called World War II.

As an aside, the last remaining and least autocratic of the greatest pre-20<sup>th</sup> century world empires, the British, hung on at the end of the Great War but had entered into an inexorable glide-path to dissolution. Winston Churchill declaimed, in 1942:

I have not become the King's First Minister in order to preside over the liquidation of the British Empire. For that task, if ever it were prescribed, someone else would have to be found, and, under democracy, I suppose the nation would have to be consulted.

And, indeed, promptly after Churchill's victory over Hitler the nation was consulted and someone else was found to preside over that liquidation.

Meanwhile, tyrants of the far left – the Communists of the Soviet Union, Maoist China and their vassal states -- had dug themselves in in the East. The United States then prosecuted what was called the Cold War. After a long twilight struggle, we won and transformed the tyrannies of the East. Call it World War III.

In the end the USSR peacefully dissolved itself. The newly-elected president of the Russian Federation, Vladimir Putin, replaced Russia's formerly scandalously high rate byzantine tax code with a simple, low-rate flat tax. Russia was rewarded by years of superb economic growth and transformed itself from a totalitarian to an authoritarian government.

That's less than an ideal classical liberal republic but a significant step in the right direction. Moreover, most of the USSR's vassal states – the "Satellites" – and its constituent republics moved to, or toward, liberal republican governance.

Moving further east, Chairman Mao, having (admittedly brutally) restored territorial integrity to China, expelling the Japanese invaders and the vestiges of the occupying colonial powers, was succeeded upon his death by perhaps the greatest supply-sider in modern history, Chairman Deng "To Get Rich Is Glorious" Xiaoping, who discovered "communism with Chinese characteristics," i.e. free enterprise. Thus began the process of bringing almost a billion people up from abject poverty to middle class affluence. China put its democratization on pause when the USSR dissolved, fearing the very real risk of dissolution itself.

Thereafter came a brief revanchist movement -- Al Qaeda and ISIS -- to restore the Ottoman Empire, also known as the Caliphate. These proved brutal and futile atavisms in a world that America was successfully coaxing, coaching, pushing, and sometimes militantly hammering into classical liberal republicanism and its accompanying peace, dignity, and prosperity.

End of history lesson.

We, The People grew Uncle Sam big to fight the Bad Guys. Uncle Sam won. Now, going forward, there are two ways, not one, of shrinking the federal government back into proportion: absolutely and relatively. Relatively is easier and more significant.

The private sector, including the private economy, is outgrowing the federal government.

Good.

No, Uncle Sam has not yet been shrunk far enough to fulfill the idealistic objective of my friend Grover Norquist “to reduce it to the size where I can drag it into the bathroom and drown it in the bathtub.” But we've certainly increased the size of our bathtubs dramatically. We're moving in the right direction.

Grover personally assures me that he has no intention of actually drowning it. He just wishes to reduce its size, dramatically. (I infer he wishes to make the government suitable to the status of beloved domestic pet or service animal rather than a voracious semi-feral predator, as now. So, Memo to Progressives everywhere: *Stop hippie-punching lovable furry old Grover.*)

That we need, and feel we need, less government is not just some perfervid hallucination of right wing nuts like me. As *The New York Times*'s Nicholas Kristof wrote on January 6, *Why 2017 Was The Best Year In Human History*:

We need some perspective as we watch the circus in Washington, hands over our mouths in horror. We journalists focus on bad news — we cover planes that crash, not those that take off — but the backdrop of global progress may be the most important development in our lifetime.

Every day, the number of people around the world living in extreme poverty (less than about \$2 a day) goes down by 217,000, according to calculations by Max Roser, an Oxford University economist who runs a website called Our World in Data. Every day, 325,000 more people gain access to electricity. And 300,000 more gain access to clean drinking water.

Readers often assume that because I cover war, poverty and human rights abuses, I must be gloomy, an Eeyore with a pen. But I'm actually upbeat, because I've witnessed transformational change.

Kristof is not auditioning for Pangloss. Nor is he making this stuff up.

Get woke. It's real.

Angus Hervey, writing at *Future Crunch*, gives us *99 Reasons 2017 Was A Great Year: If you're feeling despair about the fate of humanity in the 21st century, you might want to reconsider.* While deeply underreported, 2017 was

“an incredible year for global health,”

16. And on the 17th November, the WHO said that global deaths from tuberculosis have fallen by 37% since 2000, saving an estimated 53 million lives.

contained “some stunning victories for global conservation,”

18. China invested more than \$100 billion into treating and preventing water pollution, and launched nearly 8,000 water clean-up projects in the first half of 2017. Reuters

"saw rising living standards for billions of people,"

36. In 1991 more than 40% of Bangladesh lived in extreme poverty. The World Bank said this year that the number has now dropped to 14% (equating to 50 million fewer people). Quartz

...

the "arc of the moral universe is long, but it bends toward justice,"

69. As plunging crime closed prisons across the Netherlands, the government started turning them into housing and cultural hubs for ten of thousands of refugees instead. Fast Company

"the world is a little less violent,"

81. Rates of violent crime and property crime have dropped by around 50% in the United States since 1990, yet a majority of people still believe it's gotten worse.

and there's "signs of hope for a living planet."

95. In more than 60 regions across the globe, more populations of large sea turtles are improving than declining, a big change from a decade or two ago. Associated Press

*Read it and jubilate!*

This trend -- the state of the world getting better -- is by no means a new thing. It's part of a secular trend.

As previously noted, in 2012, in the UK's Spectator:

In 1990, the UN announced Millennium Development Goals, the first of which was to halve the number of people in extreme poverty by 2015. It emerged this year that the target was met in 2008. Yet the achievement did not merit an official announcement, presumably because it was not achieved by any government scheme but by the pace of global capitalism.

This trend goes back even further. Informal Trump advisor Stephen Moore, a protégé of that great humanitarian Julian Simon, co-authored Julian's last book *It's Getting Better All the Time: 100 Greatest Trends of the Last 100 Years* in 2000 (for which I served as publicist.)

Not to worry. Progress is not a sign of The End Times. It's a transformation into the *novus ordo seclorum* promised on the Great Seal of the United States. We've been moving in this direction -- classical liberal republican governance with its attendant peace, dignity, and prosperity -- for a long time.

We are moving faster now. This disorients the political players.

Don't let it disorient you.

As President William Jefferson Clinton proclaimed in his 1996 State of the Union address: "The era of big government is over." Truer words were never spoken. That said, bringing government back down into the "small is beautiful" zone takes some time.

Yet make no mistake. That era is over because the Big Government which We The People purposefully conjured -- to bring down Even Bigger Governments -- has served its purpose, and nobly so. The End.

Most of the world's profound economic and social betterment is taking place outside of the klieg lights constantly being beamed by most of the media on the actions of government officials. The disconnect between what you see and what you get can be very disorienting, especially if those lights are being beamed at you. As the *Spectator* so wryly observed, halving the number of people living in dire poverty well ahead of schedule "did not merit an official announcement, presumably because it was not achieved by any government scheme but by the pace of global capitalism."

We in the audience are watching the dying off of an atavism: *Homo Politicus*. What *Homo Politicus* now deserves is a diorama next to the cavemen. Let our grandchildren come and point and marvel at how primitively we used to live.

Meanwhile, do not be surprised when those who bitterly cling to its vestiges of Big Government end up "fastened to a dying animal, It knows not what it is."

It knows not. Hence the farce.

But we know.

Welcome to the end of the era of Big Government.