



Some libertarians cheer when the government shuts down. Here's why they shouldn't.

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Libertarians believe in smaller government. How much smaller? Roughly back to its size and scope in the 90s — that is, the 1790s.

So one might naturally assume that libertarians would cheer federal government shutdowns. These do not stop all federal government activities, but they at least suspend some parts temporarily. And no doubt many libertarians do find government shutdowns appealing.

But I think that view is a mistake. Perhaps shutdowns serve the libertarian view in a small way by illustrating that government is not as essential as past and present gloom-and-doom commentary suggests. After all, the United States has experienced **18** shutdowns, of varying size, since 1976, and in each case, the world kept spinning on its axis.

They have no meaningful effect on how much the government spends, however. To begin with, shutdowns are (presumably) temporary. The average length of previous government shutdowns was **seven days**. And if history is a guide, then most of the suspended expenditures for salaries, benefits, and the like will be paid retroactively. If you think a shutdown helps keep the budget in check, you're wrong.

Shutdowns also have zero effect on entitlements like Social Security, Medicare, Medicaid, and Obamacare, which continue automatically unless Congress explicitly amends them. Shutdowns only influence discretionary spending that has to be reauthorized every year. Because entitlements constitute the large majority (roughly 67 percent) of federal expenditure, and because this component is growing at an unsustainable rate, shutdowns cannot have any meaningful impact on the budget deficit. And even with discretionary spending, around half is exempt given that many Department of Defense and Department of Homeland Security functions are exempted from the shutdown, because they are considered "essential" services.

What's more, praising the shutdown lends credence to the view that libertarians hate government in all its forms, which is not accurate. A full cessation of all spending, tomorrow, is not the libertarian dream. Libertarians believe most government impinges our freedom and reduces

economic efficiency, but we do not hate government as a matter of principle; we merely argue it should be much smaller. And the process for winnowing out important projects from non-essential ones ought to be reasoned and democratic, not the result of a showdown between two parties all too happy with big government (even if their preferred programs differ).

There is, moreover, no evidence that shutdowns persuade voters that we could do without many of the services that cease during a shutdown. Federal outlays as a proportion of national GDP have fluctuated over the past 40 years, but overall they reveal a gradually increasing trend; shutdowns don't bend the spending curve downward in a meaningful way. (The month-long shutdown in 1995-1996 helped put pressure on the Clinton White House to balance the budget, but those gains were small and short-lived.)

Libertarians will happily vote to reduce most government, but in an orderly way that gives current beneficiaries time to adjust and allows private markets and institutions to develop in the place of government.

Given the abrupt personal and economic disruption shutdowns cause, they may actually hurt the cause of small government. During the last shutdown before the present one, in 2013, approximately 850,000 federal workers were furloughed for 17 days. For many of them, the uncertainty of not being paid for weeks likely caused short-term financial stress as well as decreased economic activity. Past shutdowns also resulted in disruptions to government services like **passport renewal**, **national park staffing**, and **federal court activity**, which greatly inconvenienced citizens and businesses. Under principled small government, you'd be able to get a passport; the implication that less government equals chaos hurts our agenda.

Libertarians will only succeed in reducing the size of government when they convince non-libertarians that smaller government is better. A government shutdown does little to nothing to change minds. In fact, many institutional fixes — such as adopting balanced budget amendments, or imposing term limits, or insisting that every new regulation undergo an analysis by the Congressional Budget Office — do not directly limit government, and politicians are adept at circumventing them. For example, unfunded liabilities for Social Security and Medicare, or generous pensions paid to state and local employees, allow governments to expand while still appearing to satisfy balanced budget rules. But even though institutional fixes aren't the most effective way to reduce the scope of government, they are less destructive than ceasing to conduct congressional business in regular order and forcing the hurried passage of stopgap spending bills.

Any reductions in government achieved by this shutdown will be minor and temporary. Shutdowns distract from the serious conversations that need to be had about fiscal reform and the size of government.

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