



#IAmUnitedLiberty: Dan Mitchell is the Guardian Angel of the American Taxpayer

By: Sarah Lee
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*Full disclosure: Dan and I are both alumni of the University of Georgia (UGA) and play on a UGA alumni softball team together, so I count him as a friend. I only bring it up because he asked me during this interview if I was going to mention the UGA connection and, while I hadn't planned on it, I suppose I should because it is how I knew him before I found out he was "kind of a big deal" as we like to say on the softball team. So, while he's difficult to watch UGA football games with given his propensity toward pessimism — which I think is really just to get a reaction from me, usually successfully — he's a great softball player and pitched an amazing game a few weeks ago that allowed us to beat the pants off a very solid Richmond Spiders team. So he's not only a genius in the field of tax policy and a formidable emissary of small government — all detailed rather hilariously at his blog *International Liberty* — he's a tremendous softball player and a proud Georgia Bulldog. Go DAWGS!*

World renowned tax expert and Cato Institute scholar Dan Mitchell thinks of politicians as characters in old cartoons that, when faced with a decision, suddenly find they've an angel on one shoulder and a devil on the other, both handing out advice as to the right move.

He sees himself, flashing a grin that signals you shouldn't take him *too* seriously, as the angel. "My job is to convince [politicians] to do what's right for the country, not what's right for their own political aspirations," he says.

Mitchell has the *bona fides* for the job, having spent many years as a senior fellow with The Heritage Foundation, and as an economist for Senator Bob Packwood and the Senate Finance Committee. He also served on the transition team for Bush/Quayle and was the Director of Tax and Budget Policy for Citizens for a Sound Economy.

It's reasonable to assume this kind of longevity in political circles is what led to his easy laugh regarding the silliness that is politics. But don't be fooled: his work is very serious business and he takes it very seriously, which is why he is, as his Cato bio puts it: "...a top expert on tax reform and supply-side tax policy." So much an expert, in fact, he is invited to travel the world over to promote his belief in the wisdom of the flat tax, international tax competition, and the benefits of small government policy.

"International evidence makes it very hard for people not to conclude the welfare state breaks down with changes in demographics," he says. And he leverages that evidence to educate abroad and at home (he's frequently tapped as a talking head on Cable News shows and talk radio, and

his work has appeared in the *Wall Street Journal*, *New York Times*, *Investor's Business Daily*, and *Washington Times* among others) about Mitchell's Golden Rule: **the private sector should grow faster than the government.** [Not for nothing, he is also, he reckons, the only libertarian published in the German version of *Playboy* magazine in an article describing what could be expected from Bill Clinton's economic policy. "I have a legitimate reason to have *Playboy* on my shelf," he says, grin flashing.]

As mentioned, Mitchell has both a bachelor's and master's degree in economics from UGA, as well as a PhD in economics from George Mason University. But he got his start as a limited government conservative as a high school student who, like many others, found himself struck by the wisdom of Ronald Reagan.

"I was drawn to his message that government was the problem, not the solution," he says. "One thing that was definitely part of Regan's philosophy that I got right away was that you shouldn't punish success and you shouldn't reward bad behavior."

Reagan, he says, accomplished more on spending than people give him credit for, and succeeded largely due to his policy of tax rate reductions, the taming of inflation, the slight reduction in all federal spending, and the massive shift away from domestic spending toward defense spending.

Defense — some libertarians may be surprised to learn — is something Mitchell is not shy about, saying he agreed with Reagan's shift toward heavier defense spending as a kind of economic policy, leading, as it most likely did, to the dissolution of the Soviet Union. But it's not something he thinks runs counter to libertarianism. Because he has no problem acknowledging that national defense is a legitimate function of the federal government, at least within limits. "The question becomes whether or not nation-building overseas makes things better or worse." He believes that "if we leave the world alone, it will, quite likely, leave us alone." But, he says, he has no problem dealing aggressively with people that want "to f**k with us."

But war is not his forte. Most of his work at home on the lecture circuit is educating politicians and "the convert-able" on the idea that, in an ideal world, there is no need for the modern welfare state and a broad-based tax system. He points to other countries such as Australia with their private Social Security universal 401K system, and Chile with their version of a near universal IRA as nations that have dealt with entitlements, leading to larger nest eggs and assets available to be handed down to children of wage earners. "I don't want us to have to always rely on the promises of politicians to get actuarially unsound, Bernie Madoff-type scams," he says.

And he educates, he says, because he is a patriot who cares about the future of America.

"What matters most is that somehow, in the next couple of years, Congress needs to approve, enact, and implement [Paul] Ryan's entitlement reforms — block-granting medicaid and turning medicare into a premium support system," he says. "It's the only way to save the country."

Otherwise, we become "France at best, Greece at worst."

He acknowledges that there is a disconnect sometimes between libertarians and “establishment” conservatives, but he dismisses it quickly. “Understanding the limits of government is where libertarians and mature conservatives meet,” he says.

After some prodding, he notes that “if you want to be optimistic, progress comes rather quickly” once proper reforms are in place, and the transition is not terribly painful. But what happens if he gets his wish? Isn’t he working to put himself out of a job?

“I’m sure there will be enough bad government policy to keep me occupied for the rest of my life,” he laughs. “As much as I would like to put myself out of a job, I have so far not demonstrated that level of competence.”

There are many who would disagree.