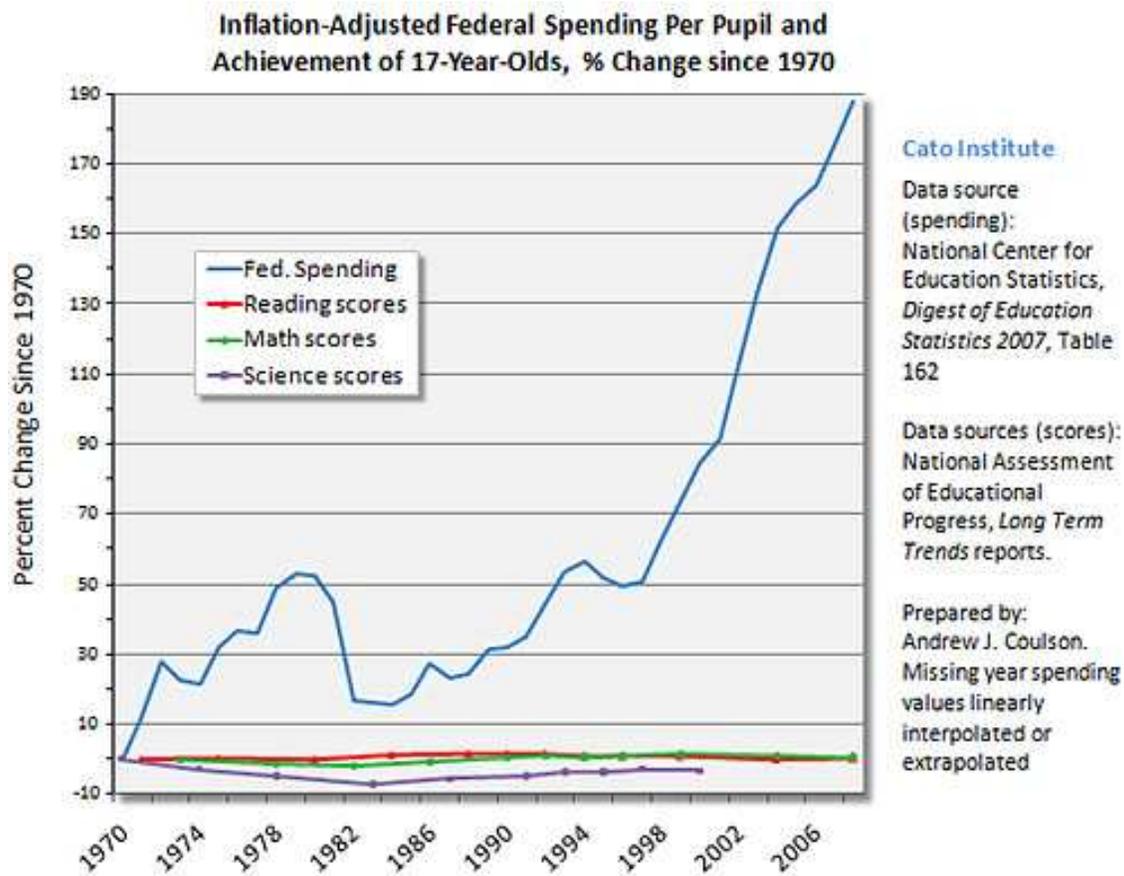


Re: Starve the Beast

By Jonah Goldberg - November 19, 2012

Noah — I liked Andy Ferguson’s piece (which isn’t surprising since I like pretty much everything he writes). And I always liked Niskanen’s argument, even if I didn’t quite find it persuasive. One thing that always bugged me about it which, to my surprise, Ferguson doesn’t mention, is the implicit assumption that Americans behave like rational economic actors with regard to what they get from government. I wish that was always the case, but it just isn’t (if it was, Cato’s job would be sooooo much easier). First of all, there’s no other product in the world I can think of that is nearly as immune to concerns over quality than government services. The American species of *homo economicus* has been paying hundreds of billions to get rid of poverty for decades, what do we have to show for it? Poverty rate in 1975: 26 percent. Poverty rate in 2010: 26 percent. What a great return on the investment. Federal spending on education? Ahem:



And so on. For reasons, good and bad, voters don't treat tax dollars the way they do their own dollars. They don't demand quality. They don't demand accountability. They don't push for efficiency. Many people think the government should spend money as if it comes from someplace other than the wallets of citizens and that what we get for it should be graded on some spiritual, emotional, philanthropic or metaphysical curve. How we spend for X so often seems to matter more than how much X is actually delivered.

And that's the American breed of *homo economicus*, among the most rational and pecuniary of the species. In Europe, government gets more expensive and taxes go up and there's even less cost-benefit analysis than we have here. As Arthur Brooks has shown, Europeans tend to be miserly in terms of private charity because they think government is simply the mechanism through which charitable desires are collectively expressed. If Niskanen was right, the trend he describes in America should hold true around the world. It seems obvious to me it doesn't. Or maybe it does — sometimes — and doesn't other times. Which is to say that peoples' attitudes about the role of government and the nature of tax dollars are diverse, complex and constantly changing, both within American society and across all societies. *Homo economicus* is a hat we all wear sometimes in some situations, but the hat fits some people better than others and, more importantly, it's just one of many hats in the human wardrobe.