



Forget Reagan, Let's Bring Back Coolidge

By: Daniel J. Mitchell – February 20, 2013

As you can see here and here, I'm a huge fan of Ronald Reagan.

But it's not just that the Gipper had good rhetoric. He also did a decent job of restraining spending and he significantly lowered marginal tax rates.

Combined with other pro-market reforms and his stalwart willingness to rein in inflation, as well as the fact that his policies led to the collapse of the evil Soviet Empire, I don't think it's an exaggeration that Reagan saved America.

That being said, he may not be the greatest president of the 20th century.

I've already shared a famous Calvin Coolidge video to show he said the right things. But, even more important, he did the right things.

Here's some of what Amity Shlaes wrote about Coolidge for today's *Wall Street Journal*.

...while Reagan inspired and cut taxes, he did not reduce the deficit. He did not even cut the budget. But if you look back, past Dwight Eisenhower and around the curve of history, you can find a Republican who did all those things: Calvin Coolidge. ...The 30th president cut the top income-tax rate to 25% (lower than the 28% of the historic Reagan cut of 1986). Coolidge reduced the national debt and balanced the budget. When he departed the White House for his home in Northampton, Mass., he left a federal budget smaller than the one he found. ..."I am for economy, and after that I am for more economy," Coolidge told voters... The jovial Harding had vetoed only six bills. Coolidge vetoed 50. "It is much more important to kill bad bills than to pass good ones," Coolidge once advised his father.

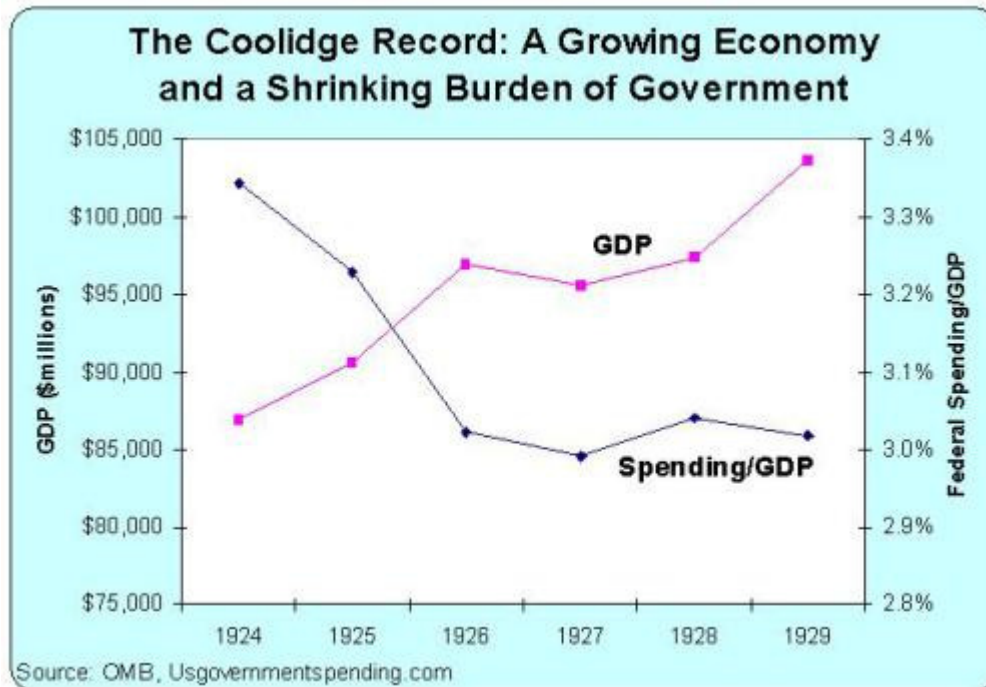
That last sentence should be repeated as often as possible. Indeed, it's the reason why I mocked USA Today for calling Congress unproductive.

Since I'm guessing more than 90 percent of legislation undermines our liberty, we're far better off when lawmakers do nothing.

Anyhow, you won't be surprised to learn that the Gipper appreciated Coolidge.

President Reagan recognized Coolidge's achievement, and upon taking office in 1981 he had a neglected Coolidge picture restored to a place of honor near Lincoln and Jefferson in the Cabinet Room.

And if you want to see some evidence of Coolidge's superb economic stewardship, here's a look at what happened with both economic output and the burden of government spending.



One final point. Just like Reagan was far from perfect, the same is true of Coolidge. I've never studied the economics of the 1920s, but it seems likely that some of the policies of that decade (perhaps excess credit expansion by the Federal Reserve?) helped set the stage for an economic downturn.

Though it's also clear that the statist policies of Hoover and Roosevelt turned the downturn into a Great Depression.

Bush and Obama are sort of the modern version of Hoover and Roosevelt, though fortunately not nearly as bad.

Obama, for instance, raised the top tax rate from 35 percent to 39.6 percent as part of his class-warfare agenda. Hoover, by contrast, boosted the top rate from 25 percent to 63 percent and FDR then pushed it to 77 percent.

P.S. I already gave Amity's new book on Coolidge a plug as part of my post about the flat tax-sales tax debate at Hillsdale. But in case you didn't get the hint, here's where you can order it.