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Silent Cal Speaks to Our Problems, Though Imperfectly

By: Jim Powell - February 26, 2013

Amity Shlaes's "Coolidge," reviewed by Robert Merry (Books, Feb. 9), is a fine biography that ought to help gain some respect for this neglected president who, with Warren Harding during the 1920s, managed the astounding feat of cutting both taxes and spending about 50%, while paying down 30% of the national debt and achieving the past century's lowest peacetime unemployment rate—1.8% (1926).

I suggest there were three important factors that favored Harding and Calvin Coolidge, advantages no president has had in decades.

The 1920s was a time of peace. After Harding cut the military budget following World War I, the U.S. didn't become involved in a major hot or cold war. Nor did we maintain bases around the world or face national security risks that could mean larger military budgets.

Second, there weren't any big entitlements that make domestic spending politically almost impossible to control. Perhaps the closest thing to an entitlement at the time was a bill to provide additional compensation for World War I veterans, but Harding courageously vetoed it less than two months before the 1922 congressional elections. His top priority was to make the fastest possible transition from a wartime economy to a peacetime economy.

Third, there weren't government employee unions—a highly organized lobbying force to resist proposed spending cuts and generate relentless pressure for higher spending.

Until these issues are addressed, it seems unlikely that any president will be able to achieve and sustain big spending cuts.

If runaway federal spending propels the U.S. toward the kind of financial crises that have hit Greece, we will need to rediscover those financially astute chief executives Harding and Coolidge, who knew how to promote rapid private-sector economic growth, jobs and prosperity.

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