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Ed Crane's hopes for this fine publication

By [Ed Crane](#) 01/11/10 at 1:19 pm



At last, an alternative to Arianna. Congratulations on the chronically postponed launch of The Daily Caller. I love reading Tucker's stuff, which is always entertaining and occasionally insightful. I hesitate to offer this post for fear it might obviate the need for The Daily Caller, but I've been around, ya know, and I can at least aim things in the right direction.

Public Choice – Fer christsake, someone take Jim Buchanan's Nobel Prize seriously. Government *exists* to expand. Politicians and bureaucrats are self-interested. They want more power, more money, more clients. P. J. O'Rourke's famous statement that "Giving money and power to government is like giving whiskey and car keys to teenage boys" is no joke. I read a proposal somewhere recently that said the welfare state should never be larger than it needs to be. Please. Enough. It was Franklin who told the woman outside the Constitutional Convention when she asked, what have you given us?, "A republic, madam, if you can keep it." That's what the Constitution is all about: limits on the power of government. The Framers and Founders were not dummies. Pretty smart, actually. They would have been amazed that the Constitution held together for as long as it did. But now, while all politicians pay lip service to "the rule of law," they all also ignore the source of law in America, the Constitution. Remember the lovely Speaker Pelosi sputtering "Are you serious? Are you serious?" when a constituent deigned to inquire as to where the Fed got the constitutional authority to mandate individual health insurance. So when the WaPo offers its wide-eyed innocent accounting of Congressional hearings, as though they represented a rational weighing of policy alternatives and not a forgone behind closed doors done deal, bemusement, not deference, should be the order of the day.

War – War is the health of the state, always has been, always will be. What in the world are we doing in the Middle East? Are we worried that they'll stop producing oil and take to eating sand? I wouldn't worry about that. Eisenhower was dead on right about the military-industrial complex. See Public Choice. Conservatives want to increase military spending as though we're in the 1940s. Not only is this a waste of money, it clearly decreases our national security. I went to the Soviet Union in 1981 and was dumbfounded to see that, while the CIA was claiming the Soviets had 63% of our GDP, they, in fact, had no GDP. Little food, no consumer goods, lousy tanks and nothing else. (Okay, some nukes.) But whatever GDP they had amounted to perhaps less than 5% of what we had in the US. I wrote an article in December of 1981 making that very point, predicting the imminent demise of the USSR. Thank you. My point is the Fed's haven't got a clue about economics. They think that if we're not in the Middle East we will run out of oil and die or something. Wrong. Oil is a fungible commodity and we don't need to spend trillions of dollars to insure it gets on the world market. No more kids should die in Iraq or Afghanistan. Bring them home now.

Federal Reserve System – Much as I hate to drop names, I had lunch with Ben Bernanke in the White House mess just about a week prior to his being named as head of the Fed. Nice guy. But it soon became clear that the man actually believes a strong economy is inherently inflationary. Please. An honest strong economy is deflationary, which is good, since the lower prices occur at the point of productivity gain and, hence, do not distort relative prices. But that's not the way Ben looks at it. I said to him, it seems as though you disagree with Milton Friedman that inflation is solely a monetary phenomenon. He said, yes, that is true. Well, thank god the food in the White House mess is so good, or I'm out of there. The fact is we are in for a period of ugly inflation because Ben Bernanke doesn't appreciate Milton Friedman. My long time friend, Ron Paul (who hangs with folks he shouldn't) has a popular new book out, *End the Fed*. I'm for that. His bill to have more oversight of the Fed might be problematic but for Bernanke's seeming desire to join the Obama Cabinet. Read my lips: The more of a commodity that exists, the less value each unit of that commodity will have. See the sinking dollar.

GOP Follies – My friends at Cato are sick of hearing me beat up on the Supply-siders and the Neocons. But I'm the CEO so they listen (or pretend to). The supply-side movement, with which I am in agreement if the issue is too-high marginal tax rates, lost its direction because gurus like Jude Wanniski, Jack Kemp and Art Laffer explicitly adopted a strategy of promoting economic growth, not liberty, as the driving force for the GOP. Now, the late Jude was, in fact, a self-proclaimed big-government Democrat who embraced supply-side economics to grow the economy so the government would grow to fund more government programs. But supply-side was (and is) associated with the Republicans. It made them quite lame in their efforts to defend limited government. No spending cuts were to be mentioned, much less the proper role of government under the Constitution. It's why some of the best and brightest are in the Club for Growth. From my perspective, liberty is more compelling than growth. As for the Neocons, don't get me started. They always have been and always will be big government folks. Look, they were agitating for a war against Iraq a decade before 9/11. They are the ones behind the thinly disguised federal effort to take over education in America. They promote National Greatness, the concept that says you're not really fulfilled until you subjugate your goals and values in life to the greater good of the nation. (Wasn't that tried and found wanting in the 20th Century?). Anyway, get 'em the hell out of here..

So, that's a taste of where I hope the libertarianish Daily Caller will guide us. At a minimum, Tucker doesn't have a Greek accent.

Ed Crane is the founder and president of the [Cato Institute](#).

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