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James Pethokoukis

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Should Obama's econ team resign in protest?

MAR 10, 2010 16:05 EST
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They won't, of course. Kind of extreme. But Cato's [Richard Rahn](#) makes an interesting intellectual case:

Despite all of this intellectual brainpower and experience within the Obama economic team, Obamanomics has so far been defined as a series of seemingly ad hoc decisions based on neither economic theory nor philosophy. ... Though the Obama administration adopted traditional Keynesian "stimulus" deficit spending during the recession, even the Keynesians thought deficits should only be run at the bottom of the business cycle, not throughout the business cycle, as is being proposed.

When Richard Nixon decided to institute price and wage controls against the advice of his CEA chairman, Paul McCracken, Mr. McCracken resigned. His successor as chairman, Herb Stein, was able to keep his intellectual integrity by famously stating, "This administration believes that price and wage controls are best administered by people who do not believe in them." Some of President Reagan's political advisers were furious that Reagan's acting CEA head, William A. Niskanen, would not say and endorse things he did not believe. Lawrence B. Lindsey, George W. Bush's first head of the National Economic Council, was vilified by many in the administration for correctly stating that the cost projections for the Iraqi war were grossly understated.

Advisers cannot expect to win every issue, but to be effective and truly do their job, they have to know which issues are important enough to either win or resign over.

Me: At the very least, Team Obama has to be going crazy about the lack of effort on trade.

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