

“Business and the Federal Government”

BUSINESS AND THE FEDERAL GOVERNMENT

Remarks by

Bryce N. Harlow

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As indicated in the biographical material furnished you, I am here fresh from America's Garden of the Gods or, as some would have it, our Garden of..... Ye Gods!

To update Thomas Jefferson, it is the place where certain truths are self-evident, that all men must be made equal, that they are possessed of certain alienable funds, that of these they must be divested in the interest of the very common man and the perpetuation of a Party in Power.

That to secure these funds Government must be made to flourish among man, subsisting on bounty laboriously garnered by the governed. That whenever any effort persists privately despite these public ends, it is the Right of the Government to displace it.

All of which, gentlemen, means simply that I am from that hallowed place in our land that takes your money and spends it -- the place that, increasingly, year by year, tells you what, when and where to do.

This may lead to the thought that my daily associates back East are desperadoes or Robin Hoods.

I propose that we ponder which they are, consider what difference it makes, and decide what to do about it.

In such a context, you realize, a desperado and a Robin Hood are not easily distinguished. Both imperiously demand your money. But in measuring this we face the question of motivation -- of seeking money for its own sake or for the sake of others -- and assessing that imponderable is like shoveling smoke. Moreover, even the best of motivations can have bad results. Here, also, is a question of morality. A citizen's money is the fruit of his own mental endowment, his own hard work, his own Leadership, his own character. Being dispossessed of money, then, is a form of servitude, whether voluntary or not. Finally, we have to consider what your money is taken for, how well it will be used, and whether or not the purpose of the taking is so commendable as to give the extortion respectability.

Conceding these difficulties, it may nevertheless be fruitful to survey as best we can a few of the principal motivations of those who do the taking and the spending of your money, in that far-off political cockpit of America on the shores of the historic Potomac River.

There we find a curious twist on The Golden Rule. Instead of "Do unto others as you would have them do unto you," in Washington it is, "Do unto others lest you be undone." To be sure, our central government gathers unto itself more and more power and more and more of our resources, but it is a system which still rests on the consent of the governed. And in Washington, my friends, that consent is courted assiduously.

The famed H. L. Mencken once acidly observed that if the modern American politician should suddenly encounter cannibals in his constituency, he would at once pledge them a missionary for Sunday dinner.

A Southern Congressman once told me, when I asked his judgment on Harry Truman's dismissal of General MacArthur, "In a controversy as hot as this, I will stand with my constituents even if it defeats me!"

Courageous leadership like this is not to be undone!

But irony aside, one prevailing disposition in the Washington environment which you support with your tax dollars is an avid eagerness to please. Our national leaders yearn to be liked. They want to be regarded as warm of heart. They aspire to be considered instantly sympathetic whether to actual need or mere desire.

This attitude permeates the Congress -- to be sure, its intensity varying with the seniority of the Member, the proximity of election day, and the quality of his opponent. One finds it in the plaintive pleadings before Congress of departmental spokesmen, their persistent wheedling becoming a deep-throated mating call as appropriation season nears. It reflects in the intense sensitivity of the President and his staff to press accounts of Presidential efforts, and in the unprecedented use of a shillelagh or sugar in White House relations with individual reporters.

So our first point is, there is a driving urge, where your money is taken and spent, to gain or to hold the public's affection. As citizens in a representative democracy, we can thank God for that ungainly, bottoms-up stance -- both ears to the ground. It is the one kind of posturing that befits the servants of free men.

Another motivation, the cynics notwithstanding, is to do good, an aspiration, however, which often crashes headlong into the urge merely to please. Our Nation's Capital is forever in an uproar over the currently expedient versus the long-range good.

This schizophrenia we have long observed in our annual political war dances over agriculture. Present Federal farm programs are indescribably bad -- for everyone. But every sensible remedy runs afoul of expediency. Each day we plow under one and a third million dollars -- almost \$1,000 every minute -- just to store, transport and handle our surplus crops. A sudden lifting of this burden, requiring drastic measures, would bankrupt and enrage scores of thousands of farmers. Here, obviously, the politician's desire to woo the farmer is incompatible with his desire to serve the general good.

So far, in agriculture, the result of this perennial conflict is stalemate. We have what a wheatbelt Congressman told me is the only practical political approach to agriculture. "Just sit down with the farmer on the wagon tongue," he said, "and cry with him." Another told me that the only sure way to get farm votes is never to have a program of your own and to raise pluperfect hell with any solution anyone else suggests.

Even so, the yen to do something useful, the hope of noteworthy public service, is powerful in Washington. Thanks to brain-washing by a typical political science faculty, I believed some two score years ago that public figures are by definition crooks or demagogues, or both, aspiring only to mislead or exploit their fellow man. But this view I know now is grotesque. Twenty-four years ago I came, dewy-eyed, to the United States House of

Representatives as its Librarian for floor debates. There, after six months of immersion in the endless Congressional babel, I discovered that the average Congressman is surprisingly able. I discovered, as stated earlier, he is eager to please. I discovered he is likeable, at least as honest as his folks back home, rough and ready, tough as whip steel, and relentlessly busy. I found that more often than not, in some particular he is gifted, whether in forensic prowess, ability to persuade, intellectual competence, physical appearance, or in some earthy quality as the ability to string together, one after the other, to the delight of jaded constituents, hilariously funny stories.

But I risk losing my point entirely, in digressing to make clear that our average Congressman is above average. What I was getting at is this -- these men, by and large, even though insatiably ambitious, hence personally motivated perhaps more than most of us, do strive with varying fervor to serve this nation well. This is no less true of appointed officials in the Executive Branch, not excepting the sundry Kennedys, Sargent Shriver, and including, I suspect, lovable little Caroline.

But now, to another motivation -- the ancient threat to free men, lust for power. This, too, lurks in Washington. Perhaps generated by the drive to do good -- perhaps only selfish -- perhaps considered only as part of the political game -- whatever its premise, it is constantly there. We see it in many forms possibly not apparent beyond the boundaries of the District of Columbia. We see it in White House requests to unchain the President from constitutional or statutory restraint. It glints in murky-worded legislation slyly contrived by departmental legal staffs to steal away from the Congress more elbow room for their cabinet officers. It is found in the unrelenting pressures of regulatory commissions for loosely-phrased laws allowing the regulators the tyranny of whimsy over segments of the economy; in the occasionally violent, but unfailingly entertaining, gamecock flutterings between the two Houses of Congress; in Congressional attempts to hobble high-stepping Federal administrators; in tests of prestige and will within, as well as between, the Congress and the Executive Branch. We see it in the rying within the President's staff for public attention and the constant scrambling for the status symbol of being a member of The White House "inner circle" which, in every Administration, weaves a cocoon about a President; in the breathless pursuit of public media by ambitious officials uptown and downtown; in the harpooning by the press of quivering victims of their suspicion or contempt (and, curiously, we note here the inner conflict of the press, like that of some college faculties, violently opposing the slightest invasion of their freedom, but lustily cheering the invasions of the liberties of others); and, of course, the lust for power and influence appears, also, in the welter of pressure groups of all sizes and preoccupations, which frantically practice their occult arts at both ends of Constitution Avenue.

At this point one is entitled to wonder how anything palatable for America can emerge from this pressure cooking of the mushroom of power, the sugar of pleasing all, the pepper of ambition, the red meat of selfishness, and the syrup of doing good. But, to switch the metaphor, and to invert Kennedy the First, our Ship of State, fortunately is not all sail. Granted that the humanitarian, the weathervane politician and the power addict are simultaneously on the bridge. But the one who bullies his way to the wheel finds it strangely hard to move. He discovers that our Ship of State tends to cleave to a steady course, driven by the fair winds and powerful currents of our democratic way.

More than most of us take time to observe, there are silent pressures, very slow to change, coursing deep and strong in our body politic. These derive from the devout religious faith and devotion to freedom first implanted among us by the founding fathers and nurtured by the ten or so generations of liberty - and God-loving people who have made and preserved us this nation.

I, too, have heard, of course, the wails that ours has become an overly affluent materialism. For some time it has been a mark of sophistication to mourn that our America has lost her way.

But let's see. Have we, indeed, become ungodly? Are we adrift, unprincipled, crassly materialistic?

The first words of the Mayflower Compact were, most significantly, "In the Name of God, Amen." On our every coin appears, "In God We Trust." Brightly shining in the Declaration of Independence is the Deism of Jefferson. We pledge allegiance to one Nation, "under God." Thanksgiving is still observed annually nation-wide. A Day of Prayer for all America is proclaimed each year by the President of the United States. Every session of Congress opens with prayer. President Eisenhower's Cabinet always began with a moment of prayer. Supreme Court sessions open with prayer. Most public meetings throughout the country profess fealty to a Merciful God before consomme or fruit cup is touched. Churches and tabernacles pepper our land. From coast to coast every Sabbath Day a vast and devout murmuring wafts heavenward from this land of the free.

The focus of it all is the precious worth, not of material possessions, but of each human being -- in America and everywhere in the world -- the divinely-formed individual whose due is justice, a justice encompassing liberty, which is the right to do as one pleases up to the point that he does not restrain others from doing the same. From this faith has evolved our conviction that it is the birthright of each citizen to work to fulfill his own aspirations in his own way, to achieve and if possible to excel, and to reap a reward commensurate with his talent and his effort. And should he fail, it is a byword of our freedom that he shall have the chance to try again.

It is this ideology, religiously-based, that gives us our zeal for self-government, for keeping the reins of power close to the sovereign citizen, for resisting power concentrations of whatever kind in our system. It follows that we subscribe to the concept of state's rights, even as we default here and there on State responsibilities. Instinctively we frown and complain and mount our soapboxes (if you'll pardon the commercial!) when any level of government higher than the family presumes to tell us what to do. We tend, lately, to find reassurance in frustrating the nation's Chief Executive by arraying against him a Congress disposed to counter and to block. We recoil against the lockstep life of the military to such a degree as to have to be drafted to flesh out the nation's defenses. Moreover, we demand that these involuntary freedom fighters be chosen by committees of citizens drawn from our own communities, to keep a cold, distant Federal bureaucracy from regarding our free citizens as grants in perpetuity instead of short-term loans. We like nothing more than to deride our public servants. As the New York Times pundit, James Reston, reported on October 5, "Wherever one goes from San Francisco to Boston, one hears the same melancholy theme: that most politicians are bums and nothing can be done about

it.” We chronically underpay our public help and dismiss their whimpers on the ground that they are probably not worth what they are getting. Our gratitude for favors rendered by a public servant is notoriously short-lived; we are prone to grouse, when called to account, that we have not been helped lately. Any display of irritation or arrogance on the part of a public official evokes our instant indignation and a surly promise to get even at the next election.

I cite these instincts and these attitudes for this reason -- they are the automatic pilot of our Ship of State. They keep our public leaders on a relatively even keel, in a relatively safe channel, as bone-tired, with fixed smiles, they strain ever onward to please, to do good, or to quench their thirst for power. I remind you that a statesman, according to one definition, is a politician kept straight by even pressures on all sides. Woe be to the public leader who tacks too far from the mainstream of America!

But liberty is not anarchy and abuses must be curbed. Moreover, collectively we have needs which individually we cannot meet, and the meeting of those needs constricts us all, in the interest of all. There must be order among us or we cannot be free. And freedom, to be loved, must have a heart.

It is right here, in the disciplines essential to freedom, that we find the dilemma of our democracy. It is a question of degree -- a degree which profoundly influences the taking and the spending of your money.

Where and when does our referee of freedom, the government, stop or restrain the unceasing competitive struggle which is the hallmark of democracy? When does he break the clinch of violently contending economic forces? How many fouls before forfeiting a round, and what, indeed, is a foul? When does he stop an unequal fight to save an economic life? How much referee interference can there be without frustrating both the fighters and the paying customers?

It is clear in Washington that our nation feels strongly on such points. We believe deeply in limited government. We ardently mean it when we say, “May the best man win.” But we believe just as deeply in fair play. We are intolerant of abuse. We are as suspicious of excessive economic power as of threatening political power, and all of us are eager to give a helping hand to the under-dog. In recent years a new sentiment has colored our attitudes, to the growing dismay of many philosophers of democracy. Demands for personal security, for public protection against the slings and arrows of outrageous fortune, for governmental insurance against failures of health, loss of jobs and the economic needs of the twilight years have become as much a part of our way of life as our demands for protection against marauders from across the seas. To these new demands all elements of our society have had to respond -- business included, right along with government.

In Washington, these clashing views keep the city under a mushroom-shaped cloud. Most of today’s political fission and fusion are over liberty versus order -- class and mass versus individualism -- uplifting the downtrodden versus encouraging self-reliance -- eradication and prevention of abuse versus keeping our enterprise free. This battle has waxed and waned and

tilted back and forth in favor of the collectivist or the individualist ever since our great experiment in self-government was launched.

How, then, fares this battle today?

To gauge it we must first recall that since the days of Athens political philosophers have held that the concepts of liberty and equality must be perpetually at war. The Achilles heel of every democracy has been the drive of the enfranchised to use the mighty weapon of political equality to enforce economic equality. The days of a democracy are numbered, say the philosophers, when the belly of the system takes charge of its head -- when the vagrant on the street corner, resentfully eyeing the passing limousines of the privileged, the talented, and the influential, sets about using his equal vote as he would use a pistol in a bank. Thus driven leftward by the votes of the less fortunate, democracy increasingly slights liberty to favor equality. Then it moves irresistibly to socialism, which in time degenerates into anarchic disorder, which spawns dictatorship as man struggles desperately to recapture order. This is the life cycle of democracies according to the teaching of the ages.

I doubt it is arguable that in our American democracy there has been, beginning with the Progressive Party at the outset of this century, a discernible trend toward exalting equality over liberty. The most massive blow yet struck in this direction came 49 years ago with the graduated income tax amendment to the Constitution. Its proponents believed this tax would never exceed two percent of income except in time of war when they reluctantly conceded it might rise as high as five percent. Since then successive income tax increases to 52 percent on corporations and 91 percent on individuals and the social exuberance of the New Freedom, New Deal, Fair Deal and New Frontier have forced our society, in the judgment of many, sharply off course, fundamentally altering a system previously anchored in human liberty.

I suggest that our principal occasion for alarm, if alarm be warranted in the developing situation, is the role of our Federal Government in accelerating the drive for equality. When the referee takes sides, the struggle between liberty and equality is radically altered. On this very point distinguished Americans have given us wise counsel.

From the Father of our Country we have these Words:

“Government is not reason, it is not eloquence -- it is a force. Like fire, it is a dangerous servant and a fearful master.”

James Madison told us:

“Since the general civilization of mankind I believe there are more instances of the abridgement of the freedom of the people by gradual and silent encroachment of those in power, than by violent and sudden usurpations.”

Thomas Jefferson gave this warning:

“I place economy among the first and most important virtues, and public debt as the greatest of dangers to be feared To preserve our independence, we must not let our rulers load us with perpetual debt -- we must make our choice between economy and liberty, or profusion and servitude. If we can prevent the Government from wasting the labors of the people, under the pretense of caring for them, they will be happy.”

Grover Cleveland, in vetoing legislation providing free seed to farmers, said that “though the people should support the Government, the Government should not support the people.”

Woodrow Wilson, a scholar in political science, told us:

“The history of liberty is the history of limitations of governmental power, not the increases of it.”

He said he did not “want a group of experts sitting behind closed doors in Washington, trying to pray Providence to” the American people.

Herbert Hoover spoke similarly. He said:

“Freedom conceives that the mind and spirit of man can be free only if he be free to pattern his own life, to develop his own talents, free to earn, to spend, to save, to acquire property as the security of his old age and his family.”

President Eisenhower told us:

“Every step we take toward making the State the caretaker of our lives, by that much we move toward making the State our master.”

Franklin Roosevelt, while still Governor of New York, before sipping the heady wine of the Presidency, emphatically asserted a similar view. He declared:

“The Constitution of the United States gives Congress no power to legislate in the matter of a great number of vital problems of Government, such as the conduct of public utilities, of banks, of insurance, of business, of agriculture, of education, of social welfare, and of a dozen other important features. Washington must never be permitted to interfere in these avenues of our affairs.”

Finally, twelve years ago a young Massachusetts Congressman by the name of John F. Kennedy solemnly warned his countrymen in these words so interesting today:

“The scarlet thread running through the thoughts and actions of people all over the world is the delegation of great problems to the all-

absorbing leviathan -- the State. Every time that we try to lift a problem to the Government to the same extent we are sacrificing the liberties of the people.”

It is at least sobering, I suggest, that from the days of George Washington our Presidents have at one time or another admonished us against governmental infringements upon liberty, using if not the same words, certainly identical concepts. Those concepts, we so easily forget, have been bathed in blood and tears and ennobled by human sacrifice for more than 2,000 years. Even today they force desperate people, at frightful risk, over, through and under the Berlin Wall.

But here is our paramount question: Are we ourselves, the champions of freedom and its best hope on earth, on liberty's toboggan? Are we destined, like previous democracies, to destroy ourselves from within, in a will o' the wisp search for something advertised as better than liberty? Perhaps recent events will give us a sign of the times.

Raymond Moley reports a climactic turning point in the administration of Franklin D. Roosevelt in 1935. It was in that year, he says, that it was decided, calculatingly, to turn Federal spending to the explicit purpose of buying votes for the party in power. Theretofore, reports Mr. Moley, Mr. Roosevelt's concepts of government had not strayed far from those expressed in his 1932 campaign for the Presidency on a platform of austerity and economy. From that period to the present we have indeed come far:

1. In 1930 annual Federal aid to States, localities and individuals was less than \$159 million. Today it approximates 15.3 billion dollars. The result? From the street corner in every village to every State Capitol, all have grown accustomed to looking to Unctuous Uncle in far-off Washington for the resolution of many critical problems rather than looking first to themselves, their neighbors, communities or States.....
2. Forty-five years ago Government-owned electric utilities accounted for only 5 percent of the electric power generated in our country. In 1965 they accounted for 23.3 percent. It is significant that the only areas which have been chronically short of electric power in America are those in which public power has been dominant.
3. One in every seven employed Americans is now on a Federal, State or local payroll. Some 20 percent of the population -- about 40 million citizens -- are receiving Federal checks. In my native state of Oklahoma, by way of example, the largest payroll is Tinker Air Force Base

in Oklahoma City. The next largest is Fort Sill, an Army installation. I assure you that when the Secretary of Defense sneezes, the state leaders come a-running, with handkerchief in hand. The State is still sovereign, I am vehemently assured, but it strikes one as an aggressively accommodating sort of sovereignty.

4.. Our Ubiquitous Uncle in Washington now fixes hours and conditions of employment, is heavily involved in wage bargaining, and only recently bulldozed wages for railroad employees. Only recently he told major industry here in California to truckle to unionization. Simultaneously he advised certain railroad unions in Chicago to ignore a fact-finding board's views adverse to their own.

5. Our old and disabled tend increasingly to become governmental wards. Now men aged 62 can retire, as can ladies. Over 23 million people receive OASDI benefits. You realize, of course, that they will live off the Federal treasury because they will not be drawing money paid into Social Security. Those funds have been spent.

6. Thirty-five years ago the Federal government collected just over \$1.9 billions in revenues. Now it collects an estimated 126.9 billions. This is a percent increase in 35 years -- an average of percent increase in each of the intervening years. Shortly we shall have \$135 billion Federal budget.

7. This, of course, turns one's thoughts to the Federal debt. It now approximates 340 billion. It was \$22.5 billion when Mr. Roosevelt took office thirty-five years ago. Add to these \$340 billions our sundry liabilities projected forward, and our total encumbrances come to more than one trillion dollars. Merely the interest on the public debt now exceeds the entire Federal budget of only twenty-five years ago.

I recite these well-known developments only to help us gauge the velocity and direction of our course since that fateful decision in 1935. But there is much more to come. What is the shape of the future?

Patents, the mother of invention, were under heavy attack throughout the last Congress. Television, officially "a vast wasteland," is regularly threatened with severe regulation. Some 150 bills were introduced in the last Congress alone to regulate or otherwise constrict the broadcasting industry. Company pension plans, only a month ago, faced dire peril from a suddenly proposed Federal tax which threatened millions of workers with the gravest sort of financial disappointment upon retirement. Incentives for business executives have been assaulted all up and down the line. These criticisms have followed official suggestions that business by and large is led by men unable or unwilling to tell right from wrong. There was one very official suggestion that at least part of America's industrial leadership has a canine ancestry. A serious attempt was made, and will be renewed, to move millions of additional acres under Federal control. The recent discovery that a prescription drug, thalidomide, could possibly deform babies resulted in attempts to close the Federal fist not only around prescription drugs, but also around proprietary drugs, foods and cosmetics. Legislation just introduced would Federally regulate the labels on all products. Federal limits on the size and shape of packages in supermarkets are vigorously proposed. Costly new Federal benefits are in store for industries and workers when these are displaced by Federally-approved imports from competing foreign nations. Efforts continue to federalize the state-operated unemployment compensation system. Federal grants and assistance programs of all kinds to states, cities and individuals multiply like rabbits. Federal expenditures beyond revenues have become chronic. The tax cut of about \$7 billion, mentioned earlier, is nonetheless projected for the coming year. It foretells a Federal deficit of some \$14 or \$15 billion atop the last two deficits amounting to over \$10 billions. On Thursday last, October 18, the Secretary of the Treasury, in a Speech in New York City, said, "There is no realistic prospect for the foreseeable future of reducing Federal expenditures." Indeed, he said, ". . . Federal expenditures are bound to continue to rise." Then he repeated the President's call for a substantial tax cut.

As a result, the ceiling on the public debt will have to rise again. Our balance of payments and gold outflow difficulties remain dangerous. Considering the budgetary trends, they could suddenly become as menacing as a hydrogen bomb. Businessmen remain hesitant, despite testy Federal advice to smile. Unemployment stays high. The Nation's economy moves crab-wise instead of up. Somehow the Niagara of Federal spending doesn't seem to seep through right.

All the while the Congress has remained bipartisanly surly toward the New Frontier. Medicare was scalped by a Senate in which every Republican faced 2 Democrats. The Urban Affairs Department was dynamited by a House of Representatives in which 3 Democrats stood off every 2 Republicans. The farm program was literally plowed under. What of it that survived looked as if it itself had taken thalidomide. The tax program was cavalierly rewritten. Aid to education flunked completely. Foreign aid was sanforized by a billion dollars. The United Nations just missed being disunited by bankruptcy. The President's request for Congressional delegation to him of authority to cut taxes was not even considered. His plan for retraining the

unemployed was junked and a Republican plan substituted. He himself shelved his own plan for a 1962 tax cut when he was sternly told by his own Congressional leaders not to submit it.

Considering the fact that the President remains popular, is still in his first term and has had lopsided control of both Houses of Congress, the Congressional-Executive relationship reached depths of acrimony and futility in the 87th Congress approximated rarely, if at all, since the beginning of the Republic.

One might think that any alarm over the future of freedom should be dispelled in view of the many scalps taken by the bipartisan war parties which have ravaged the New Frontier.

I do not agree. The range boss, J.F.K., has committed every bit of his popularity as well as the massive power of his outriders in his Administration to deliver into his hands a subservient Congress next year. He may well succeed. Here, then, are programs to be resurrected next year which have done poorly in the past but which will fare nicely in a "yes" Congress.

1. Presidential power to manipulate taxes.
2. Power for the Federal Trade Commission to order any American business to "cease and desist" its advertising when the Commission surmises, without resort to the courts, that something might be wrong with it -- a power potentially devastating to a host of industries, giving the FTC a whimsy of steel.
3. Power to regiment American agriculture.
4. Power to Federalize millions of acres of virgin lands.
5. Legislation to scissor the pensions earned by millions of workers.
6. Legislation to allow Big Brother to oversee the labels and packaging of the myriad of American products.
7. A cornucopia of antitrust bills.
8. Further moves of various kinds, mostly financial, against industrial leaders.
9. Legislation dramatically changing the tax treatment of many elements of the nation's economy, sugar-coated with general tax reduction.
10. A tax increase to draft the working population into a Federal medical program.
11. A lavish program of Federal aid to education.
12. Increased spending all up and down the line, ranging from health programs to highway construction to national defense to conservation to public works to

agriculture to space to government employment, including thousands more of Federal jobs.

Unquestionably in all such ventures the notion is to do good, for you, for me and for the country. The passion for power, the desire for public preferment, the yearning to be liked, the hope of re-election all play their part, but I do not doubt that the dominant New Frontiersmen, from the President down, are convinced of the wisdom of their course for America.

But back to the dominant question of our time: What must inevitably flow from such well-intentioned efforts, measured both by democratic experience over the centuries and by recent trends? I submit that history, old and recent, forecasts catastrophe, not today, not perhaps a year from today, but in the measurable future. In the words of Justice Brandeis:

“Experience should teach us to be most on our guard to protect liberty when the Government’s purposes are beneficent. Men born to freedom are naturally alert to repel invasion of their liberty by evil-minded rulers. The greatest dangers to liberty lurk in insidious encroachment by men of zeal, well meaning but without understanding.”

Professor Friedman of the University of Chicago warns us also, speaking of a menace “far more subtle” than imperialistic communism. He refers to:

“. . . the internal threat coming from men of good intentions and good will who wish to reform us. Impatient with the slowness of persuasion and example to achieve the great social changes they envision, they are anxious to use the power of the state to achieve their ends and confident of their own ability to do so . . . Concentrated power is not rendered harmless by the good intentions of those who create it.”

With our nation’s fiscal affairs in frightening disarray as evidenced by only six Federal budgets in balance in the past 30 years, with future deficits now certain and as certain to mount, with debt interest alone over \$9 billions a year, with the unending accretion of Federal authority more and more constricting enterprise and eroding citizen and state will-to-do, with the Federal bureaucracy mushrooming at a rate of one new employee every two minutes -- the consequence can only be, unless we change course, that America’s noble experiment in freedom will ultimately wither as have all free systems before.

Well then, does this mean we are doomed? Must we vindicate Lord Macaulay who, referring to us over a century ago, wrote: “I have long been convinced that institutions purely democratic must, sooner or later, destroy liberty, or civilization, or both.” I say, certainly not! We are bound for perdition, of course, if we wish it ourselves, or if we no longer very much care. But we don’t wish it because we do very much care. I think we will disprove the rest of Lord Macaulay’s statement, in which he said:

“. . . your Republic will be as fearfully plundered and laid waste by barbarians in the Twentieth Century as the Roman Empire was in the

Fifth; -- with this difference, that the Huns and Vandals who ravaged the Roman Empire came from without, and that your Huns and Vandals will have been engendered within your own country . . .”

What, then, do we do? The answer, of course, is a great deal. Without laboring the points, let us catalogue just a few of many ways that you and I, and our Nation, can move to frustrate the direful predictions of history.

First, as always in our system, is the individual. Each of us tends, however, to disparage what he can do. But we overlook the fact that we are each a composite not only of our own backgrounds but also of a great and powerful network of associations. One aroused citizen, determined to shore up American freedom, is worth a hundred complacent citizens on the sidelines. His range of influence is enormous. In community affairs, in business groups, in club and social activity, in political gatherings, in religious groupings where, necessarily, the individual is the whole focus, by the spoken word, by the written word, by personal participation in behalf of others, by financial support, by telephone and telegram, one determined citizen can work miracles in fomenting public action and in energizing public opinion. The Federal structure is, indeed, as gigantic as Gulliver. Each of us is, indeed, a Lilliputian by contrast. Yet together we can surely contain, fetter and discipline this Federal giant whose capacity for good is matched only by his capacity for harm.

But, of course, we are busy -- you and I, and all of us. Also, our money is too hard to come by to be poured down political ratholes. Anyway, politics is nasty and crude and unworthy of the good and the decent. Just the fellow for it is that fathead, Joe, down the street. Half nuts, of course, but leave it to him because we have better things to do.

There, right there, is our problem. Disinterest. Contempt. It is, indeed, irresponsibility. But if the responsible people stand aloof -- if those able to take the long view of freedom lean on mercenaries and incompetents to save our value system -- salvation is kaput. It is said that the stairways of time are forever echoing with the sound of wooden shoes going up and patent leather boots coming down. Surely our kids are worth a bit of grime and effort, and just a clod or two of a wooden shoe.

Another speaker is talking of group efforts by business, so I will not dwell on it, except to say that in Washington this effort is in many ways disappointing. There, advocates of limited government and personal freedom are representative of a clear majority of the nation. Agreed on fundamentals, they shatter into miniscule fragments on fleeting, lesser issues. In the process their political force disintegrates. The monolithic Federal power, coalesced with the monolithic union power, drives time and time again through the center of the broken business line for a touchdown. Indeed, the collectivists in Washington cynically use the anarchy of business. When their momentum is blocked by an ad hoc coalition of conservative forces, they delay, then carefully select business bellweathers, then privately make trades, then business unity shatters, and again -- a touchdown. When this happens I feel like we're in the fix of the drunk driving the wrong way on a one-way street. A cop asked him, "Where ya think you're going?" He replied, "I don't know, but I must be late . . . everybody else is coming back."

This divide-and-conquer technique crumples against organized labor. It is a solid phalanx. It is relentless and politically militant. It is doctrinaire and eager to reward or to visit retribution. Its power structure, its stern attitude, its rich resources politicians find easy to understand. In Washington there is no conservative counterpart to George Meany. From that one fact evolves much of the present problem.

In the Congressional session just past defeat was repeatedly snatched from the jaws of victory. It happened twice on the tax bill. It happened on the new drug bill. It happened on the farm bill. Ten major issues would have been reversed by a switch of 12 votes or less in the House and three votes in the Senate. Far too often business gloated over winning a skirmish, then lost the battle. I attribute such disappointments to two things -- the introversion of each business, and a distaste for or fear of politics. The first dilutes the impact of business on the over-riding issues of the day; the second defaults national political power to a minority of a minority -- the organized segment of Labor.

I believe it is clear that the greatest present danger is a runaway fiscal situation. Barricades are urgently needed against our own irresponsibility and greed. Earlier democracies, as we have seen, came to ruin through their internal excesses. We should, and I believe we can, so discipline ourselves as to save the American democracy.

The actions needed are strong medicine. For success they will require an all-out campaign of education and political action. Consider, for instance, the withholding tax. This is the most menacing assault upon citizen responsibility ever launched in this Republic. For scores of millions of our people, take home pay has come to signify total pay. Deductions are unfelt. The citizen is insulated against the pyramiding national folly. In the words of the ancient sage, to save fools from the consequences of their folly is the one sure way to fill the world with fools.

Repeal of withholding is, at present, politically unattainable. But requiring that not more than fifty percent of one's Federal tax can be withheld is in the bounds of reason. Such a move, by and of itself, could do more to restore prudence and responsibility in Washington than anything else one can conceive. Let Citizen Jones dig down in his jeans two or three years in a row to pay at least half of his Federal tax -- let him budget month after month from his hard-earned income to underwrite those who play politics with his own money -- and his Congressman will quickly discover that cheap Federal money has become very expensive back home.

Other restraints are needed. Amend the withholding tax, and they will gain their own momentum. The item veto for the President is one example -- a power held by two-thirds of the state governors. It has been long urged by Presidents to counter Congressional abuse, especially in appropriations, and is still a valid step toward restoring fiscal responsibility. Recapture by Congress of appropriation controls over "backdoor spending" -- now amounting to billions annually -- is another move toward fiscal sanity which would follow naturally and swiftly once the citizen again is made to feel the Federal income tax.

Another barricade needed against our own profligacy is a Constitutional amendment requiring that, except in time of emergency declared by Congress, a Presidential budget

recommendation could be increased by Congress only by a two-thirds vote. Thus, we would inhibit pandering to local greed. Thus, we would save individual Congressmen from their own inclinations toward demagoguery. Thus, we would discourage Congressional constituencies from pressing endlessly for new raids on the Federal Treasury. In the process we would discard the merely desirable while doing the clearly necessary, thereby establishing sensible priorities -- the key to responsible government.

Also, by Constitutional amendment, or by statute, we should require that every Presidential budget be accompanied by revenue recommendations assuring that the outgo will not exceed the income, except, again, when a Congressionally-declared emergency of not to exceed two years' duration voids this requirement. It will not do to corral the Congress and yet indulge fiscal irresponsibility in the Presidency.

Much else cries out for reform -- too much to include in these remarks. But all such efforts revert to you and to me and to our communities. Before much else can be fruitful, Citizen Jones must rediscover both the glory and the perishability of human liberty and relearn that liberty without discipline is doomed.

When enough of us really care -- when enough of us are fiercely determined to pass on to our children a free and responsible America -- when each of us regains the personal realization that benevolency in far-away Washington syphons off the family's money for the children's shoes -- then the balance we seek, the sanity we rightly expect, the freedoms we prize, will be restored throughout the land, as surely as day follows night.