

THE

INSIDER

Diversity Agenda Vs. Learning

Class Warfare Taxes

Threats to Free Speech Online

What Will It Take to Control Spending?

SPRING 2019

Freedom Is for Everyone

IN THIS ISSUE, YOU WILL FIND Heather Mac Donald (p. 16) discussing “the trashing of Western civilization” on college campuses. Picking up that theme, Mike Gonzalez (p. 32) identifies the entitlement state as a major motivator of those same corrupting agendas.

A few pages away you can find Dan Mitchell (p. 26) employing the concept of deadweight loss to explain why everybody loses when tax rates are high, and Jonathan Bydlak (p. 21) making the case that controlling federal spending requires budget process reforms.

Something for everybody—or at least everybody who likes bad news. Read in conjunction, these articles lead to a dire summation of our current situation:

Raising taxes will harm the economy and lead to even more government spending (and deficits and debt); but government spending is already rising because organized interest groups value such spending and the political process rewards politicians for delivering it; meanwhile, the very existence of the entitlement state induces citizens to see their interests in terms of what government gives them; that, in turn, encourages citizens to identify as members of interest groups, often organized around some concept of victimhood, ensuring that constituencies for spending remain powerful; and all along, rising generations are being taught that freedom is a con designed to keep straight, white men in power.

It’s a complicated knot. So how can it be untangled? You start by picking a string. Fiscal sanity can help fix the culture, and fixing the culture can make it easier to find fiscal sanity. The best case for cutting spending is grounded in an understanding of the legitimate purposes of government. And convincing people that government has grown beyond those purposes requires talking about things other than math and economics.

It also helps to know the contrary position. As the Left sees things, individual rights are less important than power, disparities in which are the real cause of suffering in the world. In this view, the redistribution of power from the

oppressors to the oppressed (primarily racial and sexual minorities) is the only just purpose of politics, and if individual rights get in the way of that project, then they must be shoved aside. Likewise, GDP growth, debt, deficits, and other traditional metrics of good policy matter not when weighed against the imperatives of equality of condition.

In the conservative understanding, the preservation of individual liberty is the only legitimate purpose of government, and limiting political power via a constitution of checks and balances and rights is the means by which liberty is preserved.

While the conservative concern for constitutional rigor may seem distant from the everyday struggles of people, it at least has this advantage over the progressive mania for equality: It does not create insoluble conflicts over who is more oppressed than whom. Progressives want more minorities admitted to universities—as long as those minorities are not highly qualified Asian-Americans. Progressives want economic justice—but primarily justice for the inner cities, not so much for the hayseeds up in the holler. Progressives oppose bigotry—unless it’s bigotry (and worse) perpetrated against homosexuals in the name of Islam. Progressives want to stand with the historically oppressed—as long as the historically oppressed are not Jews supporting the state of Israel. Progressives want to promote the voices of racial minorities—as long as those voices aren’t expressing conservative opinions.

With progressives in power, you can never be sure that you won’t be the next egg broken for an omelet. Conservatives don’t have need of doctrines to resolve the tensions between theory and practice—such as intersectionality—because freedom really is for everybody. Peter’s liberty is not diminished when Paul’s is protected. In fact, it’s enhanced.

And when government protects your liberty, it puts your fortunes and your future in your own hands, not that of a group claiming you as a member. If we can’t win with that message, then we are doing something wrong. 🍷



ALEX ADRIANSON edits The Insider. Have a story idea? Want to connect with him? Email insider@heritage.org

EDITOR’S NOTE
2

ONE QUESTION
What One Change
Would Improve the
U.S. Immigration
System?
4

ROUND UP
Tax Rates in the ’50s,
Homeschoolers
Shine, Late-Term
Abortions, CBO
Mis-Estimates,
Admissions Scandal
9

TOOLKIT
Effective Facebook
Marketing
in the Age of
Algorithm Anxiety
14

CALENDAR
40

PICTURING POLICY
Economic Freedom
Is Good for the
Environment
43



What Will
It Take to
Control
Spending?



How the
Diversity
Agenda
Corrupts Higher
Education

AN INTERVIEW WITH
HEATHER MAC DONALD



Class Warfare
Taxes



The Enemies
of Free Speech
Are Targeting
the Internet



Who Taught Citizens to Think
of Themselves as Victims?

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A WALL MARKS THE U.S.-MEXICAN BORDER at Tijuana and Baja, March 13.

What One Change Would Improve the U.S. Immigration System?

DAVID INSERRA

Right now we are seeing a spike in illegal immigration at our southern border. Three things distinguish these immigrants from those who arrived previously. They are mostly: unaccompanied children or “family units” (i.e., adults with children); from Guatemala, Honduras, or El Salvador, rather than Mexico; and increasingly claiming, though not necessarily being granted, asylum.

Even though we are catching most of these aliens, we cannot remove them from the United States because of loopholes in our laws. We spend a lot of time talking about border barriers and other tools to secure the border, which do slow down border crossings and increase the chances of apprehension. But we don’t spend

enough time talking about the fact that once an illegal immigrant enters the country and is apprehended, the immigration system generally just releases them into the United States.

Two loopholes plus our weak asylum system have created this catch-and-release system. The first is the well-intentioned Trafficking Victims Protection Reauthorization Act of 2008. The second is the ruling of the Court of Appeals for the Ninth Circuit in *Flores v. Lynch* (2016), which reinterpreted a 1997 settlement known as *Flores*. Because of these two loopholes if you show up at the border as an unaccompanied child or as an adult with a child, the United States is required by law to release the child and the family into the United States.

In 2018, the Trump administration began a policy of zero tolerance of illegal immigration,

which resulted in detaining parents so their cases could be adjudicated, leading to, in most cases, deportation of the families. This policy became known as family separation. In response to intense political furor over family separation, the administration reversed the policy after only a couple months. So right now, family units showing up at our southern border are caught and then released. Many will fail to show up for their immigration court hearing, yet keeping the family together in custody is simply not allowed by law.

Our asylum system contributes to this mess by ensuring that very weak claims of “credible fear” are used to delay the adjudication of these cases, guaranteeing that the claimants will be released into the United States.

The result is the surge we are now seeing at our borders with children used as pawns to game the system. And because of the special attention and legal processes we give to children and asylum seekers, our immigration officials and court system are underwater, with no hope of ever digging out. Without changes, most of these illegal immigrants will remain in the United States even though only about 10 percent of Central Americans will actual end up being given asylum.

These loopholes should be changed to allow us to keep families together, but quickly return them to their home countries. The asylum process should also be pushed away from our borders so that claims can be handled in Mexico or even in Central America. Anyone who refuses to make an asylum claim south of our border should not be allowed into the United States unless they meet a high threshold of evidence for asylum.

By making these and other fixes, the United States can more effectively deter illegal immigration.

Mr. Inserra is a policy analyst at The Heritage Foundation.

JESSICA VAUGHAN

In fiscal year 2017, foreign visitors overstayed their legal entries about 700,000 times, with more than 400,000 of them failing to depart or acquire a legal status within eight months after the end of the fiscal year. Not only does this rampant disregard for our laws undermine the integrity of our immigration system, it is also a national security and public safety vulnerability, since we can’t know the motives of those who overstay.

Congress has been pressing for action for 25 years, but successive administrations have failed to address the problem. The first step was to implement an entry-exit system, and one important benefit is that we now have a better idea of who is overstaying and in what categories of entry.

Now the State Department must adjust and issue fewer visas to applicants in categories with poor compliance. Dozens of countries have overstay rates of more than 30 percent in the student and worker categories, but their citizens continue to get visas.

In addition, we need to end the practice of giving every short-term visa holder a default six-month duration of stay. Instead, the routine admission should be no more than 30 days, unless the traveler can show a credible reason for a longer stay. Similarly, the duration of stay for Mexicans using the much-abused Border Crossing Cards intended for shopping and quick visits should again be restricted to 72 hours.

“

The proceedings for the average overstayer likely will take over eight years. One option is to require certain categories of visa holders to waive their rights to a court hearing as a condition of admission.

Tweaks using executive authority will help, but the most effective way to deter overstays is to reduce the incentives and increase the risk of consequences. If overstayers cannot easily get a job, a driver’s license, and other benefits, there is little point to remaining illegally. Implementing mandatory use of E-Verify and discouraging sanctuary policies will help.

For those who will not be deterred, we need more effective enforcement. Unlike illegal border crossers, who often can be processed administratively by immigration officers upon arrest, visa overstayers are

entitled to more generous forms of due process, including a hearing in immigration court and the opportunity for protracted appeals. Our immigration courts are now so dysfunctional that the proceedings for the average overstayer arrested today likely will take over eight years. Congress should address the backlog; one option is to require certain categories of visa holders to waive their rights to a court hearing as a condition of admission, as is the case for those entering under the Visa Waiver Program.

In addition, visa sponsors—employers, exchange programs, schools, and labor brokers—who routinely fail to meet standards for participants’ compliance should be barred from sponsoring future visa applicants.

The travel sector, certain employer groups, and the education industry

have been lobbying the president and Congress to issue more visas for students and guest workers, expand visa waivers, and back off reforms to exchange programs. It is irresponsible to even consider such proposals until overstay are greatly reduced.

Ms. Vaughan is director of policy studies at the Center for Immigration Studies.

DAVID BIER

Congress should replace America’s current static immigration system with a dynamic one. During the last three decades, America’s population has grown by a third, and its economy has doubled in size. The share of U.S workers in the labor force with a college degree has doubled, while the share without a high school degree has halved. About three quarters of the Fortune 500’s largest companies were replaced, while entire new industries—the Tech Economy, the Internet Economy, and the Gig Economy—have come to life. Despite these vast changes, Congress has failed to update America’s legal immigration system.

The last legal immigration overhaul came in 1990. Congress increased the caps for family- and employer-sponsored immigrants and created a couple of new categories for green card applicants, such as one for investors. But since then, the numbers have remained stuck. The result is an antiquated immigration system out of touch with the U.S. economy and society. Huge backlogs of applicants waiting for green cards

have developed, causing average waits to double. Many immigrants now wait a decade or even multiple decades to receive legal permanent residence. A slow cumbersome process simply doesn’t work for an advanced economy and stands as

an advertisement for illegal immigration.

If Congress does break its logjam on immigration, it should construct a system that is responsive to changes in the economy and society, making constant updates unnecessary. It should remove immigration caps entirely for the highest skilled categories—stop making Einsteins wait for permanent residence. For the remaining caps, Congress should first update them to reflect the changes since 1990, and then going forward, it should link the family- and employer-sponsored limits to population growth and economic growth, respectively. That way as the number of families in the

United States increases, the green card quotas for families increases proportionally, and as economic growth accelerates, businesses can hire more foreign workers.

Congress cannot predict the exact types of workers or numbers that a future economy will need. But it can predict with certainty that the world will not stand still. It needs to make sure the immigration system keeps up with the world around it. This simple reform would prevent the immigration system from becoming outdated almost as soon as a new law is enacted.

Mr. Bier is a policy analyst for the Cato Institute.

“Congress should remove immigration caps entirely for the highest skilled categories—stop making Einsteins wait for permanent residence.”



ANDREW ARTHUR

One simple change would eliminate most if not all of the challenges facing the U.S. immigration system: mandating that employers use the E-Verify process to ensure that employees are eligible to work in the United States.

The Department of Homeland Security (DHS) explains the process on its website:

In the E-Verify process, employers create cases based on information taken from an employee’s Form I-9, Employment Eligibility Verification. E-Verify then electronically compares that information to records available to [DHS] and the Social Security Administration (SSA). The employer usually receives a response within a few seconds either confirming the employee’s employment eligibility or indicating that the employee

needs to take further action to complete the case.

During my eight years as an immigration judge, I heard approximately 15,000 cases. By my rough estimate, at least 98 percent of those aliens came to the United States to work.

The decision to enter the United States illegally or to overstay a visa for such individuals is a simple economic one: Will I make enough money in the United States to pay the smuggler or the other fees what it cost to get here? E-Verify will effectively deny most of those individuals the opportunity to work in this country. By turning off the “jobs magnet” that lures those foreign nationals to this country, that flow of migrants stops.

The other problems facing the U.S. immigration system would become manageable. The caseload facing our 400 immigration judges currently



FROM LEFT: PROTESTORS RALLY AGAINST zero-tolerance immigration policies at Brownsville, Texas, June 28, 2018; an officer of the Mexican Federal Police stands next to the US-Mexico Border Fence on April 5 in Mexicali, Mexico.

stands at about 856,000; that backlog could slowly be whittled down if the flow of illegal workers was stymied.

Then, U.S. Immigration and Customs Enforcement (ICE) would no longer have to devote as many resources to apprehending illegal aliens. With the proliferation of so-called “sanctuary jurisdictions” (which refuse to cooperate with immigration enforcement), ICE must routinely send officers into the field to apprehend visa overstayers—a necessity that endangers both ICE officers and the public.

E-Verify implementation would slash the number of aliens entering illegally, allowing our 18,600 Border Patrol agents to focus more resources on drug and contraband smuggling, and fewer on aliens slipping across the border.

E-Verify would not be a silver bullet. Loopholes in our border laws would still encourage families

with children and unaccompanied alien minors to enter the United States illegally, straining Border Patrol resources.

Aliens who manage to evade detection at the border or overstay could still apply with one of our approximately 520 asylum officers for “affirmative asylum.” Such an application carries the possibility of an employment authorization document (EAD) to even those with non-meritorious claims to work in the United States if their bogus claims cannot be adjudicated within 180 days.

Mandating E-Verify would nonetheless make the work of our immigration officials significantly easier. The president can implement that policy by executive order. He should.

Mr. Arthur is a resident fellow in law and policy at the Center for Immigration Studies.



PROTESTORS RALLY AGAINST zero-tolerance immigration policies in Bridgeport, Conn., July 11, 2018.

HANS VON SPAKOVSKY

While Article I, Section 8 of the Constitution gives Congress exclusive authority over immigration, there is a great deal that state and local governments can do in this area. In fact, their assistance and the resources they can bring to bear on the problem are vital to the United States having a comprehensive, efficient enforcement system to prevent illegal immigration.

Implementing sanctuary policies are the exact opposite of what local governments should do. In fact, local law enforcement should be acting as advance scouts for federal authorities. When aliens are arrested for committing local crimes, it is in the best interests of local communities

“State governments should prohibit local governments from implementing any policies that prevent local law enforcement from notifying, assisting, or cooperating with federal immigration authorities.

and public safety for the federal government to be notified so these criminal aliens can be picked up by federal authorities and removed from the country, either after they have been arrested or detained or after they have served their sentences.

State governments should prohibit local governments from implementing any policies that prevent local law enforcement from notifying, assisting, or cooperating with federal immigration authorities; instead, state governments should require such assistance by local communities. In 2012, in *Arizona v. U.S.*, the

U.S. Supreme Court upheld Arizona’s requirement that law enforcement officials check the immigration status of anyone they arrest, stop, or detain if they have a reasonable

suspicion the individual is an illegal alien.

States should not provide driver’s licenses to illegal aliens, nor should they allow illegal aliens to obtain license tags for their automobiles. Illegal aliens should be banned from obtaining professional licenses of any kind, and they should not be eligible for any state or local benefits such as public assistance or in-state tuition. In fact, federal law (which, unfortunately, has not been enforced) prohibits state universities from providing in-state tuition to illegal aliens unless the same in-state tuition is offered to all students who are citizens. There should be no financial or other incentives of any kind that provide illegal aliens with a reason to come to, or remain in, the United States.

The vast majority of illegal aliens come here for economic reasons—to earn money to send back to their families in their native countries. To protect American workers and reduce this economic incentive, the federal government requires employers to check the citizenship or legal immigration status of all new employees to prevent illegal aliens from obtaining employment. It also provides the federal E-Verify system that employers can voluntarily use to comply with this requirement.

In 2011 in *Chamber of Commerce v. Whiting*, the U.S. Supreme Court upheld an Arizona statute that made use of the federal E-Verify system by Arizona employers mandatory. The state statute imposes a series of penalties on employers who knowingly or intentionally employ illegal aliens, including suspension or revocation of the employers’ business license. This is a key method for ensuring that illegal aliens are not unlawfully employed, which reduces their economic incentive to remain in the country.

Mr. von Spakovsky is senior legal fellow at The Heritage Foundation.

JOHN MOORE/GETTY IMAGES



IRS WORKERS PROCESS TAX RETURNS at the IRS regional office, Philadelphia, March 11, 1965.

Tax Rates in the '50s, Homeschoolers Shine, Late-Term Abortions, CBO Mis-Estimates, Admissions Scandal

In the 1950s, effective average federal taxes were only 17 percent. Milton Ezrati weighs in on the arguments for a 70 percent top tax rate to fund a “Green New Deal”:

[Paul] Krugman and [Alexandria Ocasio-Cortez] play fast and loose when it comes to the country’s prosperity under high tax rates. It’s true that the United States prospered with a top rate of 70 percent and higher in the mid-20th century. But the tax code then included loopholes that drastically reduced the amount of income subject to those rates. All the tax cuts since then have closed those loopholes. One can forgive Ocasio-Cortez for missing the difference, as she has consistently shown economic and historical ignorance, but Krugman should know better.

In the 1960s, 1970s, and early 1980s, for instance, when the 70 percent maximum rate

prevailed, taxpayers could write off all state and local taxes, with no limit—including sales taxes, licensing fees, property taxes, and income taxes. They could also write off all interest expenses without limit—on their mortgages (no matter how many), all credit-card debt, auto loans, or home-improvement loans. Imagine the benefits to a plutocrat, buying a third home or a fifth Bentley.

His tax would be calculated on net income, reduced by any fees, sales, or transfer tax, as well as all the interest expenses on the mortgages or auto loans over the years. The code included dividend exclusions and generous provisions for capital-gains preferences. Taxpayers back then could shelter unlimited amounts in IRAs. Social Security payouts were tax-free, no matter how high a person’s income. Individuals could write down their taxable income through averaging provisions and transfer as much income as they

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liked to their children, who paid at lower rates. There was no limit to rental-loss deduction. Business losses counted against all income.

Given these breaks and loopholes, it's no surprise that few people actually paid those high rates on much of their income. The nonprofit Tax Foundation estimates that in the 1950s, for instance, when the top statutory rate was 92 percent, the top 1 percent of taxpayers wrote off so much income that their effective average federal tax rate was about 17 percent. If our highest earners today were offered the 2019 code or the old one, they might well go for the old rules, even at a 92 percent top rate. *[Milton Ezrati, "The 'Green New Deal' Is a Fiscal Fantasy," City Journal, January 14]*

Homeschools outshine public schools.

J.D. Tuccille writes:

In 2014, SAT "test scores of college-bound homeschool students were higher than the national average of all college-bound seniors that same year," according to [the National Home Education Research Institute].

"Mean ACT Composite scores for homeschooled students were consistently higher than those for public school students" from 2001 through 2014, according to that testing organization, although private school students scored higher still.

By contrast public school kids "bombed the SAT," reports Bloomberg. Mixed but generally disappointing results since then have education experts

worrying that many public school graduates are unprepared for either higher education or the workforce.

No wonder colleges not only welcome, but actively recruit, homeschooled applicants.

But what about the impact of DIY education on the larger world—say, the development of "parallel societies" that Germany cites as grounds for banning the practice? We should be so lucky—homeschoolers seem inclined to create better societies.

"Students with greater exposure to homeschooling tend to be more politically tolerant—a finding contrary to the claims of many political theorists," reports research published in the Journal of School Choice. Defined as "the willingness to extend civil liberties to people who

hold views with which one disagrees," this finding of greater political tolerance among the homeschooled has important ramifications in this factionalized and illiberal era.

"In other words," writes author Albert Cheng of the University of Arkansas's Department of Education Reform, "members of the very group for which public schooling is believed to be most essential for inculcating political tolerance (i.e., those who are more strongly committed to a particular worldview and value system) actually exhibit at least as much or more tolerance when they are exposed to less public schooling." *[J.D. Tuccille, "Homeschooling Produces Better-Educated, More-Tolerant Kids. Politicians Hate That," Reason, January 22]*

Late-term abortions are rarely done for the health of the mother. David French writes:

Late-term abortion is, fortunately, relatively rare. According to the most recent CDC data, only 1.3 percent of abortions occur after 21 weeks. However, given the sheer number of abortions in this country (638,169 reported to the CDC), that means there were at least 8,000 late-term abortions in the United States. As Jonah Goldberg notes today, the pro-abortion-rights Guttmacher Institute puts the number even higher, at roughly 12,000 late-term abortions per year. That's a lot of babies dying late in pregnancy. To gain a sense of perspective, that number is comparable to the number of murders committed by firearms in the same time period.

So, why do these babies die? The Guttmacher Institute has looked at the reasons for late-term abortion, and the reasons are chilling. First, the top-line finding is clear: "[D]ata suggest that most women seeking later terminations are not doing so

for reasons of fetal anomaly or life endangerment." Instead, there were "five general profiles of women who sought later abortions, describing 80% of the sample." These women were "raising children alone, were depressed or using illicit substances, were in conflict with a male partner or experiencing domestic violence, had trouble deciding and then had access problems, or were young and nulliparous [had never given birth]." *[David French, "It's Time for the Truth about Late Term Abortions," National Review, February 1]*

The Congressional Budget Office estimate was wrong—by about 460 percent. Philip Klein reports:

CBO estimates about the importance of an individual mandate to a national health care scheme prodded President Barack Obama into including the unpopular provision into the law in the first place. The mandate projections also played a key role in President Trump's two major legislative initiatives. The fact that the CBO assumed 14 million could lose coverage mainly due to the elimination of mandate penalties helped kill the effort to repeal and replace Obamacare, while its later assumption that 13 million fewer insured individuals would mean less spending on subsidies from the federal government helped get the 2017 Republican tax cut across the finish line by improving the budgetary math. Yet those incredibly influential estimates now appear to have been wildly off.

In what was literally a footnote in its annual report on national health spending projections, actuaries for the Centers for Medicare and Medicaid Services [...] estimated that the elimination of the individual mandate would have a significantly smaller impact than the CBO has long estimated. Specifically, the CMS report revealed that 2.5 million more people would go without insurance in

2019 due to the repeal of the individual mandate's penalties, and the impact would be "smaller" thereafter. *[Philip Klein, "Government Report Reveals CBO Was Scandalously Off in Obamacare Estimates," Washington Examiner, February 20]*

A federal tax credit for school choice will invite federal control—imperiling choice. Neal McCluskey points out a problem in the new school choice bill put forward by Sen. Ted Cruz, (R-Texas) and Rep. Bradley Byrne (R-Ala.):

School choice is about individualization and freedom, and almost certainly that is what [Education Secretary Betsy] DeVos, Cruz, and Byrne

want. But federal initiatives are a terrible way to deliver that. The reality is that what the feds fund, even indirectly, they inevitably want to control. DeVos, Cruz, and Byrne specifically acknowledge that historical reality in federal education policy. They write, "A series of administrations on both sides of the aisle have tried to fill in the blank with more money and

“Members of the very group for which public schooling is believed to be most essential for inculcating political tolerance actually exhibit at least as much or more tolerance when they are exposed to less public schooling.”



more control, each time expecting a different result.” Note that the primary vehicle for that control, the Elementary and Secondary Education Act, started aimed just at funding low-income districts. It eventually became the uber-controlling No Child Left Behind Act.

DeVos, Cruz, and Byrne are looking to skirt the control problem, sticking with tax credits instead of vouchers, and letting states opt in. But not only is this unconstitutional—taxes are authorized to execute specific, enumerated powers, not to lightly engineer state policy—it won’t, ultimately, prevent encroaching federal control. If enacted, the credit would spur people to demand their states participate, and as more schools benefited from federally connected scholarships all schools would be financially pressured to use them. But the federal government

will have the power to decide which state programs are or are not eligible, and on what grounds. As Corey DeAngelis and others have noted, what happens when, instead of a President Trump, we have a President Sanders or Harris and they don’t like the policies of religious schools, or maybe how economics is taught? Suddenly lots of private schools and other options will be federally pressured to look very similar—shape up or credit eligibility goes away—and true choice will be curtailed.

Even the roll out of the proposal raises the specter of federal control. Though the great benefit of tax credits is they do not use government money, and hence are less prone to regulation than vouchers, DeVos, Cruz, and Byrne write that through their proposal they “are putting forward a historic investment in America’s students.” That sure

sounds like the federal government is doing the funding, and what government funds it tends to control. Also, that Secretary DeVos is so prominent in the proposal release at least symbolizes not only federal intervention in education policy, but a strong connection to the executive—the dangerously regulatory—branch of the federal government. [Neal McCluskey, “Even Something as Great as School Choice Should Not Be Federalized,” *Cato Institute*, February 28]

Tariffs beget more tariffs. Veronique de Rugy explains:

In the end, the steel tariffs have made the production of American-made products more expensive. This makes those American producers who use steel less competitive on global markets.

JULIO CESAR AGUILAR/AFP/GETTY IMAGES

Enter American producers of line pipe. As it happens, the raw materials these producers use in their domestic production of large-diameter welded line pipe and structural pipe are subjected to Section 232 tariffs (25 percent on steel imports from Canada, China, Greece and India, 50 percent on imports from Turkey and quotas on imports from Korea). As expected, the line pipe producers’ production costs rose. And now these producers have gone before the [U.S. International Trade Commission] to argue that they are being injured by dumping—selling in the United States at prices below “fair value”—carried out by Chinese and Indian manufacturers of allegedly subsidized line pipe.

Three of the five USITC commissioners agreed. This ruling will trigger countervailing and anti-dumping duties from the Department of Commerce, and as a result, everything will end up being more expensive.

The question is: When and where does this cascading protectionism stop? Of course, the steel tariffs have affected products other than large-diameter line pipe. All American producers that use steel as inputs are negatively affected by the administration’s import taxes. Inevitably, then, the USITC will see a surge of American manufacturers coming to ask for protection from foreign competitors for their products when, in fact, they need only protection from the Trump administration’s trade hawks, who have made input more expensive. [Veronique de Rugy, “Learning the Lessons of Protectionism the Hard Way,” *The American Spectator*, February 28]

TWO WOMEN, HOLDING SIGNS at a federal courthouse in Boston on April 3, would like actress Lori Loughlin to pay their tuitions. Loughlin and her husband are two of dozens of parents charged in the college admissions scandal.

JOSEPH PREZIOSO/AFP/GETTY IMAGES

It is a scandal that anybody thinks college admission is worth the cost of a bribe. Kenny Xu writes:

The bribery scheme to get privileged children into elite universities is causing parents and teachers across the country to fume with righteous indignation. But the revelations of corruption in the multibillion-dollar college-admissions industry is perhaps more indicative of how Americans’ views of college—especially among the elite—are shifting into dangerous territory.

More Americans no longer value college education for its ability to train their children with the skills needed to thrive in adult life. Instead, they obsess over college’s signaling value—the value of a school’s name and prestige.

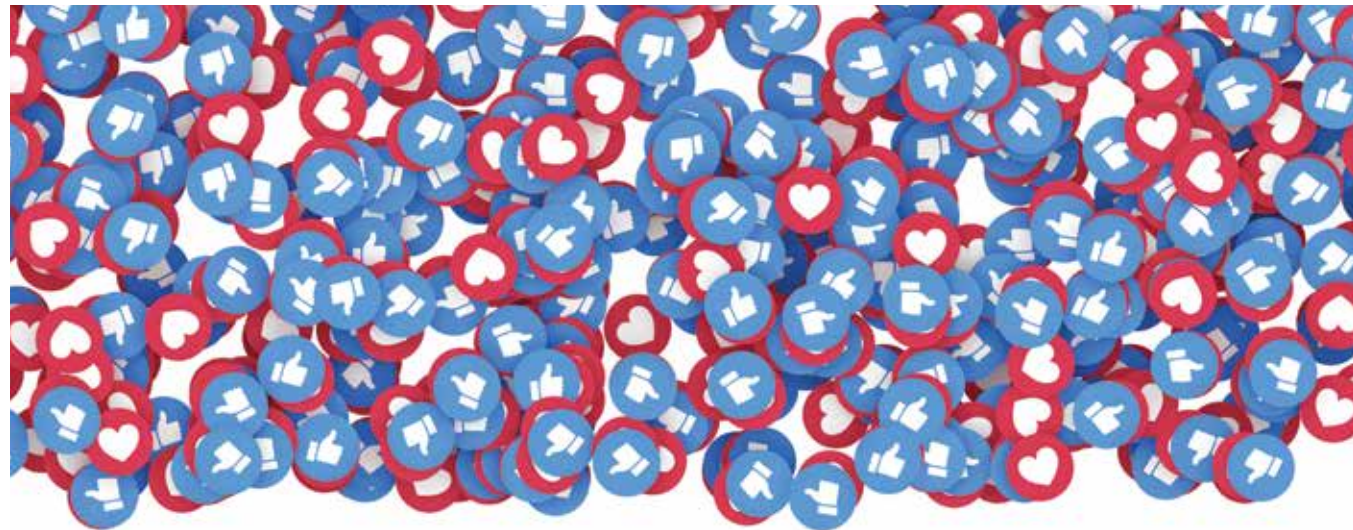
One can see this trend amid the booming college-consulting industry, where consultants seek to do everything legally possible to get their client’s child into the best-name colleges. The number of professional college consultants among the nation’s elite has jumped from 2,000

to 5,000 in recent years. Nowadays, 26 percent of the students who got into the 70th percentile or higher on the SAT had some form of private college consulting help.

Economist Bryan Caplan puts this inversion of the goals of higher education more bluntly. Imagine if you could get a degree from Georgetown University without attending any classes. Now imagine you could take every class at Georgetown without getting a degree. Which option would you choose? Most likely, the one that signals value—the former.

The irony is that the signaling value of elite colleges is quite misplaced. According to a paper by mathematician Stacey Dale and economist Alan Krueger, if your child is smart enough to get into an elite college, but chose not to go, he or she will still end up making approximately the same as a similarly qualified applicant who did go to an elite college. [Kenny Xu, “College Admissions Bribery Scandal Shows How Higher Ed Culture Has Descended into Signaling,” *The Daily Signal*, March 15]





Effective Facebook Marketing in the Age of Algorithm Anxiety

BY RYAN GREEN

ACCORDING TO NIELSEN, American adults spend nearly half their day consuming content.

Our job as thought leaders and marketers is to find out how to reach that audience—to create that content—in the most cost-effective way possible.

What we're after is simple: attention. So how do we get it?

On average, American adults spend over 11 hours per day listening to, watching, reading or generally interacting with media. And despite the rumors, television is still king, owning nearly five of those hours.

During their most recent earnings report, Netflix revealed that they own 10 percent of TV time, or roughly 100 million hours per day in the United States. Why is that important? Attention. Attention is the most coveted commodity in today's world, which is why Netflix is now worth more than Disney and Comcast.

Some players in the nonprofit and advocacy world are slowly dipping their toes into Netflix. But for most groups, that's not feasible. They look to social media for attention and community building.

When it comes to digital, Facebook continues to own the largest share of attention. According to Pew Research Center, roughly two-thirds of U.S. adults are active Facebook users. In January 2018, Facebook released an earnings report that revealed the average user spends more than 40 minutes per day on the platform. (If you'd like to know how much time you spend on Facebook, go to "settings and privacy" and select "your time on Facebook.")

Facebook's continued dominance has forced marketers to contend with its ever-changing algorithm. According to Pew, Facebook's algorithm remains a mystery for more than half of its users.

Facebook has attempted to demystify its algorithm, which it refers to as "ranking." They've revealed three main points:

- Ranking looks at likes, comments and shares to identify posts that matter to users.

- Ranking considers whether a potential interaction is between two people or between a person and a page. Per-

son-to-person is ranked higher than person-to-page. Posts from connections within your network will get the biggest news-feed boost.

- Ranking prioritizes "meaningful" exchanges that require more time and care. For example, typing out a long and thoughtful reply to a post.

Did you catch all the clues in Facebook's explanation of ranking?

First, engagement—likes, comments, and shares—is important. Second, posts from connections within your network will get the biggest boost. Having a connection with a person or page means you interact frequently.

But the last and possibly the most important clue is in Facebook's description of "meaningful" exchanges. According to Facebook, meaningful exchanges require more time, which is a signal that comments are weighted more than likes and shares.

The growing consensus among marketing professionals suggests Facebook is becoming a paid platform and organizations are forced to pay to reach their audience. While pages with larger audiences have a lower organic reach than pages with smaller audiences, there's no evidence that organic reach is dead. The reality is organizations have failed to pivot, and pivot they must if they are to remain relevant according to Facebook's ever-evolving algorithm.

Instead of bemoaning that algorithm, organizations can employ several strategies to capture a share of attention in Facebook newsfeeds. Here's three to live by:

The "see first" strategy overrides Facebook's algorithm. Facebook allows users to control the content appearing in their newsfeed. Asking your community to mark your page

as "see first" will ensure your posts appear in newsfeeds. Users can also choose to receive alerts from their favorite pages. A short video with step-by-step instructions is the easiest way to employ the see-first strategy and market it to your community. Users simply navigate to your page, select "following," turn on notifications, and mark your page "see first" in their newsfeed.

Users can select up to five pages to see first in their newsfeed.

The "group" strategy focuses on giving users greater control of the conversation and forming deeper connections by creating a Facebook group. Groups are not susceptible to the same algorithm as pages. Groups also open up a wide range of features that can increase engagement among users. There are three options for groups: 1) public, which allows everyone to see members and content; 2) closed, which allows everyone to see member names but not the content; and 3) secret, which require invitations and only members can see members' names and content.

Different group types open up different features. For example, a social learning group allows brands to create course-like content structured in learning units. Additional features available to all groups include video watch parties, document sharing, an event calendar and polling.

Finally, the "don't suck" strategy focuses on providing the right content to the right audience at the right time. This seems simple, but most brands are terrible at creating engaging content. Automation, awkward

stock photography, poor headlines, scheduling posts at a bad time of day and failing to engage your community in the comment section after posting are a few of the mistakes that kill organic reach. After that happens, the only way to revive your organic reach is to reboot your content strategy and pay to promote posts to your existing audience. This can be expensive.

Before launching a paid campaign, analyze your audience to understand the days and times users are active and develop a day-parting plan, which can be a simple grid with days of the week across the top and hours of the day down the side. Test different post types—links, images, videos, polls—at different times to begin filling out your day-parting plan.

The trick to beating Facebook's algorithm is to love your audience. Do that, and they'll love you back.

Games, gimmicks, short cuts and tricks will eventually catch up with you and kill your organic reach. If you build deep,

meaningful connections with your community, and make them feel like they are part of a community, they will seek you out and engage with you despite Facebook's attempts to force you to pay for attention in the newsfeed.

Building organic reach on Facebook and any other platform is hard work. But engaging content and disciplined, simple strategies make it possible.

One sure-fire way to lose? Complaining about the algorithm. ■

Mr. Green is co-founder and chief marketing officer at Iron Light, a change-making marketing agency.

“There’s no evidence that organic reach is dead. The reality is organizations have failed to pivot, and pivot they must if they are to remain relevant according to Facebook’s ever-evolving algorithm.”



PROTESTORS RALLY AGAINST CONSERVATIVE BEN SHAPIRO speaking at the University of California at Berkeley, Sept. 14, 2017.

How the Diversity Agenda Corrupts Higher Education: An Interview with Heather Mac Donald

FOR HEATHER MAC DONALD, NO belief about current affairs is too comfortable, too convenient, or too crowd-pleasing to go unrefuted by the facts. The Bradley Prize-winning writer has examined the welfare bureaucracy and found that it enables the very behaviors that keep people in poverty. She has examined law enforcement practices and shown how claims of racist policing are both incorrect and a threat to the gains in public safety (not least for minority communities) produced by data-driven policing. Her latest book is *The Diversity Delusion: How Race and Gender Pandering Corrupt the University*

and *Undermine Our Culture* (St. Martin's Press, 2018). As the subtitle states, things are afoot on college campuses. We talk with her about what's going on.

THE INSIDER: If you sample news from college campuses lately, you are likely to read about conservative voices being shut down, professors harassed for deviating from Leftist orthodoxy, restrictive speech codes, obsessions over microaggressions and privilege, bungled sexual misconduct investigations, and coursework that does more to promote political activism than transmit knowledge. You've written a book, *The*

Diversity Delusion, that offers an explanation for these phenomena. What do you think is going on?

HEATHER MAC DONALD: In a word: the trashing of Western civilization. I have identified three major principles that are driving the destruction of humanistic learning on college campuses. The first principle is the belief that the most important thing about any individual is his race or sex. Second, the belief that discrimination based on race and sex is the defining feature of America in particular and in Western civilization in general. And third, that any disparity in proportional representation of females or so-called underrepresented minorities—that is, blacks and Hispanics—in any institution is *by definition* the result of racism and sexism. Alternative explanations—such as differences in academic or cognitive skills, career preferences, psychological disposition, and behaviors—are simply not allowed. Those three principles, I think, are the core foundational ideas behind the diversity delusion. And they are driving this insane push to reduce all of human experience to racial and sexual oppression. This push denies students the opportunity to lose themselves in the greatest works of Western civilization.

TI: From where does this delusional worldview come?

HM: I can describe its trajectory better than I can be confident about its origin. In the 1970s colleges were under the reign of a very odd form of literary theory called deconstruction or post-structuralism. It held that language was fatally ambiguous and that linguistic meaning was impossible to pin down. Moreover, the human self was a mere play of language, a trope. Deconstruction's mannered rhetoric

quickly spread throughout much of the humanities and social sciences, including fields like anthropology and history.

But at least in the 1970s students were still allowed to read the great books without being taught to complain about the authors' gonads and melanin. Deconstruction did very weird things with the Western canon—claiming, for example, that literature was always about its own failure—but it still read that canon without the trivializing overlay of identity politics. I absorbed deconstruction uncritically, but I read Wordsworth, Milton, Spenser, and Wallace Stevens, without thinking to whine that they were all dead white males.

That all changed in the 1980s. Multiculturalism and academic feminism started disparaging works of genius on the basis of their authors' sex and race. And students were encouraged to reject works that they had not even read simply because those works were written by dead white males. This was the era of the infamous protest at Stanford University led by Jesse Jackson: "Hey hey, ho ho, Western Civ has got to go." Students were protesting Stanford's modest core curriculum that tried to expose students systematically to some founding works of Western thought. Faced with such protests, few faculty dared to defend the Western canon. And ever since then the humanities have been infected by the idea that students should study primarily themselves and their own oppression.

This is complete nonsense and idiocy. But you have a massive diversity bureaucracy and much of the faculty that encourages students to believe in their own victimhood.

What drives this? I think that some part of society is worried that the racial achievement gap is not going to close. And so we've become obsessed with trying to find instances of racism to explain it. And many young women are determined to see themselves as victims rather than the freest individuals in human history. I'm still puzzled by it because it is so counterfactual.

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Students regularly act out little psycho-dramas of oppression before an appreciative audience of diversity deanlets who use the occasion to expand their dominion.

TI: The diversity bureaucracy itself has an incentive to spread these ideas to make students feel that they need the bureaucrats to protect them, right?

HM: That's absolutely correct. There is a co-dependency between these narcissistic students and the diversity bureaucracy. Students regularly act out little psycho-dramas of oppression before an appreciative audience of diversity deanlets who use the occasion to expand their dominion. Every time there's some hysterical protest about

phantom racism the response is: "We need another vice chancellor of equity, diversity, and inclusion. We need more separate facilities for minority students. We need a curriculum that is devoted to identity politics." And most fatally, and faithfully, the argument is: "We need a larger critical mass of minority students."

Now the problem with that is that colleges are already employing vast racial preferences to engineer



AT THE MASSACHUSETTS STATEHOUSE IN Boston, college students rally for legislation to stop sexual assault on campus, April 10, 2018.

diversity because of the academic skills gap. Between blacks and whites that gap is about a standard deviation in SAT scores—about 200 points. That has not changed for decades. And when you admit students with lowered academic standards, whether they’re female or minority, you’re putting them at a competitive disadvantage. They are unable to compete with their peers. I’m not saying that blacks should not go to college. I’m saying that they should have the same chance of success as any other type of student and go to a college for which they are prepared—rather than being catapulted outside of their skillset into an environment where their peers are more advanced.

What happens to the so-called “beneficiaries” of racial preferences? On average, they can’t compete. They end up at the bottom of their class in terms of GPA. They then have two explanations available to them. They can say: “I was put into an academic environment for which I was not prepared.” Or they can say: “I’m surrounded by systemic bias and micro-aggressions

and structural racism.” Many students, not surprisingly, choose the latter explanation. So when a school responds to these outbreaks of hysteria over phantom racism by saying “we need more minority students” they have to dig down even further into the underqualified minority applicant pool and the achievement gap only widens. It becomes a vicious cycle.

Ti: Could you give us some sense of the scope of the problem? How much money is being spent on diversity bureaucracy? Is the obsession with diversity happening at most colleges? Half? Some? Are there particular kinds of schools that have embraced this agenda?

HM: It’s everywhere. The ideology and the bureaucracy are not confined to the elite schools. People want to reassure themselves with the thought “well this is just Middlebury, or Yale, or Harvard.” No—it’s now seeping down even to the community college level. There is a community college in the San Diego area—Mira Costa College—

that has gone completely all-in on the diversity idea, transforming its curriculum to focus on identity politics, hiring bureaucrat after bureaucrat to teach students to think of themselves as victims. Nobody has ever done a nationwide tally of what is being spent on diversity bureaucracy, but I can give you some examples. The University of California Los Angeles, a publicly funded school, has a Vice Chancellor of Equity, Diversity, and Inclusion who makes over \$400,000 per year. That is several multiples above what your average junior faculty member makes. It could subsidize the tuition of dozens of students. The Berkeley diversity apparatus is about \$20 million per year. So this is very serious money that is being taken away from, say, buying more library books or more professors in German literature or more French language instructors. It also takes away from efforts to lower the obscenely expensive tuitions that are now the norm.

Ti: Why are schools spending so much money on diversity bureaucracy and administration? How do they benefit from that?

HM: The bureaucracy is growing everywhere. The explicitly labeled diversity bureaucracy is part of a larger student services bureaucracy, which encompasses all sorts of programs for retention and first generation students. Even those, however, are driven by racial preferences, which bring in students who are not academically competitive. This growth in academic administration has been going on for decades and may be in part simply a feature of Western societies in general that are also experiencing seemingly

endless bureaucratization. Somehow there is always enough money sloshing around to keep the academic bureaucracy expanding.

Why the faculty don’t put their foot down is a mystery to me, since the growth in college administration far outpaces any growth in faculty numbers. I think their acquiescence is in part a devotion to racial preferences. Colleges, including their faculty, fight tooth-and-nail against any suggestion that admissions be based on color-blind academic merit alone. They fight for preferences in the Supreme Court, they fight in the court of public opinion, in part out of self-love. Professors and administrators think of themselves as providing the only safe haven in America for “people of color,” who otherwise face endless discrimination in Red State MAGA country.

Yet at the same time, there is nothing you can say to a college that will be more fiercely resisted than: “There are no bigots on this campus.” It’s the weirdest thing. Many American institutions today are determined to proclaim themselves racist. I go around to colleges and I tell the students: You are the most privileged human beings in human history. And you are not surrounded by racists. The faculty here are not racist. They want all of their students to succeed, *in particular* history’s oppressed groups.

And when I say: “This is not a racist institution, it is tolerant and open-minded (at least when it comes to non-conservatives),” I am met with such rage. A diversity bureaucrat at the University of Colorado Boulder got up and said: “How dare you come to this school and say there is not racism here. I’ve been the subject of racism myself.” It is absolutely perverse that it is an insult to say that an institution is fair and equitable.

Ti: What role do federal money and mandates play in the growth of the diversity bureaucracy?

HM: Well, federal money that goes into student loans is driving a huge part of the tuition increases and those in turn keep the bureaucracy growing. And Title IX has led to the creation of completely unnecessary offices in every university. We all know the stories of the decimation of male athletics in order to have a 50-50 funding level for female athletics that simply do not have the student demand, much less audience demand. There are many people who do argue that a lot of this is driven by government regulation. I’m less persuaded by that argument. I think that this is fundamentally an ideological issue and that the bureaucracy merely follows. This is driven by something much deeper, which is a hatred for Western civilization.

Ti: If a doctor prescribes treatments that make his patients sicker, then he is going to lose patients. If a carmaker sells vehicles that have malfunctioning parts, then it is going to lose its car-buying customers. Do you think higher education is ever going to face a reckoning for giving its students—i.e., its customers—ideas that are harmful to them?

HM: It’s a race against time. People have been predicting the collapse of the academic-industrial complex for decades, and it just never seems to happen. And it is a race against time because students now carry these ideas into mainstream society like a virus. They infect the world

at large. The Democratic Party now is dominated by identity politics. A Democratic politician will typically preface her comments with a statement such as “well, *as a woman* ... “or *as a black woman* ...” as if there’s any kind of necessary relationship between her “identity” and what she is about to say, which there isn’t.

The “real world” now features the same insane search for its own racism and sexism. We saw it in the

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There is nothing you can say to a college that will be more fiercely resisted than: “There are no bigots on this campus.”

one-sided reporting of the encounter between the Covington, Kentucky, kids and a Native American activist, with the press jumping on the false narrative that the encounter demonstrated heteronormative patriarchal white supremacist privilege. We saw it in the hoax by the actor Jussie Smollett, who allegedly paid two men to attack him shouting “this is MAGA country!” We saw it in the effort to bring

down Supreme Court nominee Brett Kavanaugh based on the “believe survivors” mantra, which is a direct import from campus rape tribunals and Gender Studies 101.

These ideas are transforming the world and even the tech sector. The tech sector now is dominated by feminist ideology.

And there is another problem. I am not sure that a lot of American parents are particularly interested in whether their kids actually learn the fundamentals of Western civilization in college, so long as they emerge credentialed with a high-status diploma. And unfortunately even conservatives treat college as simply a jobs program. Does it raise your salary? That’s the metric. And I think that’s a very misguided one.

TI: Clearly there are students who are embracing a victimology mindset. Do you think they are representative of college graduates today? Or are they merely the ones creating the controversies that make the news? Do you have any sense of the overall attitudes of today's college graduate?

HM: I think there is a large proportion—I don't know if it's a majority or not—who are jaundiced about the diversity agenda and are keeping their heads down. The degree of self-censorship on college campuses is impossible to overstate—whether it's

on the part of students or those few remaining faculty who have not bought into identity politics. Nobody dares speak up. But all it takes is a small percentage of vocal believers; they're the ones who go out and transform institutions. From my experience talking with younger generations, I would say people in their 30s or 40s—including conservatives even—have been brainwashed to a certain extent by identity politics.

I've had a conversation with a very, very prominent conservative-intellectual, and he was adamant that there is a campus-rape epidemic. Now he might be closer to the situation than I am, but if this rape epidemic were happening you would have had a stampede of females *out of* colleges rather than *into* them. But the fact that he was so reluctant to write this off, to me, is a sign that even conservatives are having their worldview changed, and I would say the same thing with the role that alleged white racism plays in

determining social outcomes today. I think even conservatives, younger conservative students, are more open to the view that gross systemic bias is still a significant problem in American society. I look at the data and do not think it is.

TI: How does the diversity agenda affect the quality of intellectual output at universities? In particular, how does it affect entrepreneurship, innovation, and science?

HM: For a long time optimists said there was going to be a cordon

sanitaire around the STEM fields. Surely, they thought, nobody's going to make the argument that math is a heteronormative masculinized space. That's a phrase that I'm taking directly from a math professor herself. Surely, nobody thinks that physics has a color. But unfortunately the STEM fields are now under enormous pressure to hire by race and gender. The idea of meritocracy has been under attack in the sciences for a long time, but the attack has reached a greater intensity now.

Science education is being slowed down and watered down in the hope of graduating more females and underrepresented minorities. Teaching methods are being changed, and the federal government, through the National Science Foundation and the National Institutes of Health, is putting enormous pressure on chemistry departments and engineering departments to hire by gender and race—above all, gender.

It's hard to find a faculty search committee that hasn't been told by its dean to tear up its laboriously produced short list for hiring and start over because there were no females among the finalists. I know an engineering professor who was involved in a faculty search; his dean ordered the search committee to bring in a less competitive Israeli female engineer and interview her. They still didn't vote for her. The dean said: "Go back; start over; do it again right." They still didn't vote for her. And finally, that time, the actual engineers won, but choosing candidates based on merit is happening less and less. And so the diversity agenda is putting our scientific competitive edge at risk. China, at least in the sciences, seems to care about one thing, which is qualifications.

TI: What can we do to address these problems?

HM: Conservatives have to talk about universities not just as economic engines. The discourse tends to be exclusively about free markets and economic liberty, all of which is very important. Free markets make possible all of the prosperity that we take for granted. But I think conservatives need to start talking also about culture and about learning as an end in itself, to see the purpose of education as the passing on of an inheritance from one generation to another. There is a movement in K-12 of classical academies. Hillsdale College is taking a lead role in trying to encourage that movement for parents who want their children exposed to classical learning, to the highest works of literature and poetry and music and art. That's an encouraging sign. I think donors should notice this development and try to give that movement more steam. ■

What Will It Take to Control Spending?

BY JONATHAN BYDLAK

There are four ways in which you can spend money. You can spend your own money on yourself. When you do that, why then you really watch out what you're doing, and you try to get the most for your money. Then you can spend your own money on somebody else. For example, I buy a birthday present for someone. Well, then I'm not so careful about the content of the present, but I'm very careful about the cost. Then, I can spend somebody else's money on myself. And if I spend somebody else's money on myself, then I'm sure going to have a good lunch! Finally, I can spend somebody else's money on somebody else. And if I spend somebody else's money on somebody else, I'm not concerned about how much it is, and I'm not concerned about what I get. And that's government.

—Milton Friedman, interviewed on Fox News, May 2004

JUST A FEW YEARS AGO, IT WAS HARD TO FIND an elected official in either party who didn't at least pay lip service to fiscal conservatism. Everyone, it seemed, took the above warning from Milton Friedman seriously—and saw the importance of letting people keep their own money. Who can forget the optimistic days of the Tea Party wave, when dozens of new representatives and senators swept into office fired up and ready to slash taxes and spending? Even the gritty standoffs during the Boehner speakership were generally about what the appropriate level of spending reductions should be. Hiking spending was not an acceptable option.

Now, less than 10 years later, those days might as well be a generation ago. Government spending has never been higher, reaching historic highs and supported by majorities in both parties. Two-thirds of it is on autopilot with no reforms in sight, leaping from 31 percent of gross domestic product in 1970 to 62 percent in 2018.

When Congress does take votes, they tend to be on massive packages rather than individual programs and priorities. It has been over 20 years since Congress even finished its own mandated budget process. Instead, most government spending is approved at the eleventh hour, wrapped up in thousand-page omnibus bills that must pass in order to avoid a government shutdown.

In this environment, it's almost impossible for elected officials to find meaningful ways to cut spending—even if they wanted to.

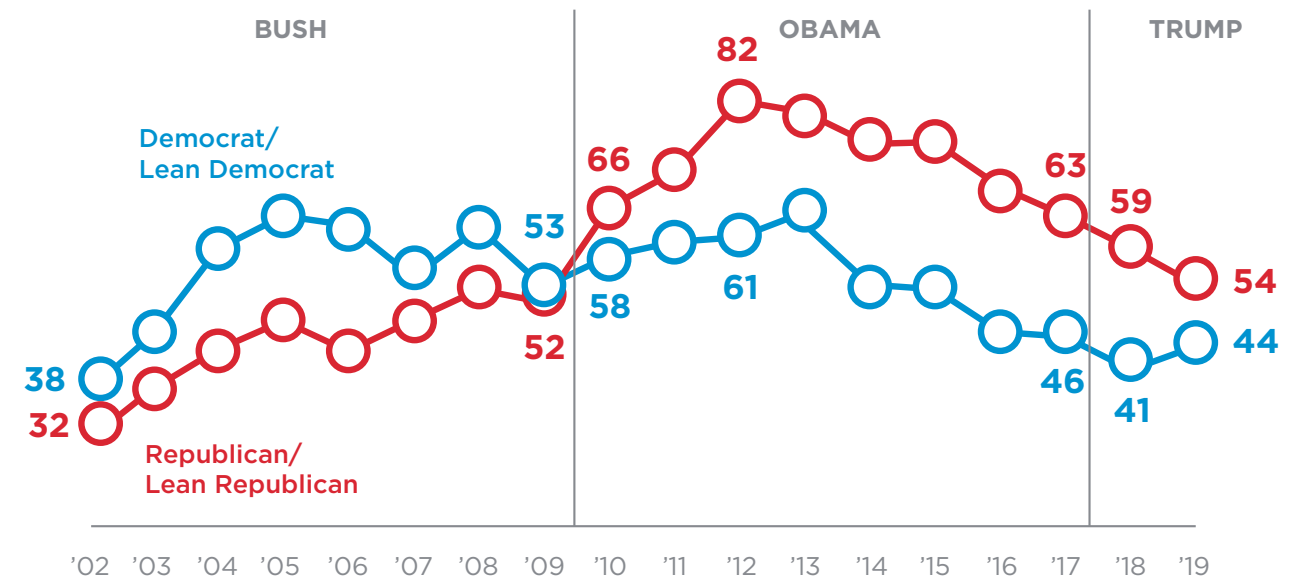
And it seems not many actually want that at all. Adjusted for inflation, discretionary spending has more than doubled since 1960, increasingly crowding out private sector alternatives in many areas of the economy. The role of government in people's everyday lives has grown steadily too, with some estimates suggesting that one in three Americans is dependent on government programs in one way or another.

In 2019, the party that swept into office just nine short years ago promising to slash spending now basically ignores the issue altogether. The other major party? Well-known figureheads regularly endorse massive expansions in programs like free four-year college and Medicare for All. The political discussion has shifted so dramatically that 2020 Democratic presidential candidates attempt to distinguish themselves as “moderates” by clarifying that, yes, they do still believe in capitalism.

What's the Real Problem?

A glance at fiscal policy debates in the United States might give the impression that only one thing matters: Debt and deficits.

PERCENTAGE WHO SAY REDUCING THE BUDGET DEFICIT SHOULD BE A TOP PRIORITY FOR THE PRESIDENT AND CONGRESS



Source: Pew Research Center, February 20, 2019

Politicians on all sides beat their chests about the rising numbers—as long as the other party is the one running them up. Public opinion polls are much more likely to ask Americans whether they want to deal with debt and deficits—and they do. That much is obvious and rather consistent across polls and over time. Most recently, a *POLITICO*/Morning Consult survey showed that about half of Americans want reducing deficits to be a top priority for Congress, while a whopping 81 percent of respondents said the issue was important.

While the level of urgency ebbs and flows (indeed, in 2019, fewer and fewer seem to care about it anymore), a clear majority of Republicans and nearly half of Democrats still want Congress to cut deficits and debt.

But there is a problem.

Few people want to have a serious discussion about the *cause* of increasing debt and deficits: runaway government spending, and—fundamentally—the expansion of the role of government throughout our lifetimes.

Milton Friedman also famously said:

Keep your eye on one thing and one thing only: how much government is spending, because that's the true tax [...] If you're not paying for it in the form of explicit taxes, you're paying for it indirectly in the

form of inflation or in the form of borrowing. The thing you should keep your eye on is what government spends, and the real problem is to hold down government spending as a fraction of our income, and if you do that, you can stop worrying about the debt.

Unfortunately, the status quo is not that concerned with keeping its eye on the true tax. In fact, to the degree that commentators talk about the causes of debt at all recently, such discussion has focused exclusively on the impact of the Tax Cuts and Jobs Act. While the act is indeed likely to reduce future revenue, this narrative ignores the fact that revenue-to-GDP remains at its historical average and that government receipts have increased in the months since the legislation's passage.

Meanwhile, it is difficult even to find many recent public opinion surveys that ask about government spending. That's not to say the American people are opposed to cutting it: A 2017 Pew poll suggested that 45 percent of Americans still support reining in the size and scope of government—with a healthy majority of Republicans and right-leaning independents (74 percent) supporting the goal, even if overall support for big government is on the rise.

But while there might not be overwhelming bipartisan support for belt-tightening, the real problem lies with the other pressures that politicians face.

It is no secret that countless special interests in Washington are dedicated to getting whatever they can out of the federal trough. Likewise, we know that elected officials who publicly support any spending cuts can expect a well-funded and instantaneous backlash claiming that they want to push grandma off a cliff, make America less safe, or whatever else the lobbyists can come up with. It does not take much before most are scared back into line and back into supporting the status quo.

As political scientist David Mayhew famously suggested, politicians act as “single-minded seekers of reelection.” They realize that most of their voters will never know just how much they are voting to spend—and, thanks to special interests, will always know if they ever vote to cut a program. The choice is unfortunately clear.

It is much easier for politicians to simply continue to make vague promises that they will fight for balanced budgets and limited government, and then do little toward accomplishing that goal. Much like a failed dieter going after one last piece of chocolate cake over and over again while pledging to start the diet tomorrow, politicians perpetually promise something in the future and do the exact opposite in reality.

Broken Rules and a Rigged Game

Let us assume for a moment that the long-suffering fiscal conservatives, those beleaguered budget wonks who work in organizations such as The Heritage Foundation and the Institute for Spending Reform, are able to convince most politicians that cutting spending is worth doing.

Let’s imagine that the champions in Congress are no longer a tireless minority but instead a majority ready to make a difference. What has to happen next in order for meaningful reform to become a reality?

First and foremost, Congress has to fix its rules to allow those reforms to happen.

In 1974, coming out of several years of bitter fights with President Richard Nixon on what they saw as abuse of executive power, legislators passed the Budget and Impoundment Control Act, more commonly known as the ’74 Budget Act.

In addition to creating several agencies and limiting presidential power, the act created a system in which Congress passes a budget, a nonbinding roadmap that then guides decisions in 12 appropriations committees that deliberate on exactly how to allocate federal money to various priorities.

Recent research by economists Massimiliano Ferraresi, Gianluca Gucciardi, and Leonizio Rizzo has shown that the ’74 Budget Act was successful in keeping spending lower than it otherwise might have been. However, like most laws, unintended consequences slowly revealed themselves, in the form

of increased partisanship in the doling out of federal monies and more frequent brinkmanship between the legislature and the executive.

It has gotten to the point that Congress now rarely follows its own process, and with increasing frequency relies upon continuing resolutions (which are bills that freeze spending at its current level for a set amount of time) or omnibus bills (which roll all spending together into one package that either passes or fails). Most of the time, these packages end up being passed at the last minute before a government shutdown, after being hammered out mostly in secret and being given to legislators just a few hours before they have to take a vote.

The idea of any sort of serious, meaningful spending reform coming out of this system is laughable. A growing majority of spending is not even properly authorized, making even discretionary spending function more like the mandatory programs that are crowding out the budget.

Yet just last year, when legislators had a chance to fix things in the Joint Select Committee on Budget Process Reform, the best they could do was *almost* agree to a very modest package of reforms that did not contain a real mechanism for restraining spending.

Clearly, reforming the rules is a necessary but insufficient step toward fiscal sanity. Even the best rules are effective only when those to whom they apply feel compelled to abide by them.

Pulling Back the Curtain

The fact is, rules require consequences, and for that reason, fixing the rules and even electing new policymakers will make no difference if their incentives remain the same.

To borrow again from Friedman:

[T]he solution to our problem is [not] simply to elect the right people. The important thing is to establish a political climate of opinion which will make it politically profitable for the wrong people to do the right thing. Unless it is politically profitable for the wrong people to do the right thing, the right people will not do the right thing either, or if they try, they will shortly be out of office.

At present, every incentive in Washington is to spend more. And that’s because for decades, politicians have been able to enter and leave office proclaiming their fiscal conservatism all the while voting for billions upon billions in new spending—and their voters never knew.






Even experts can find it difficult to figure out exactly what might be contained in the things Congress passes, and for everyday voters, it is all but impossible.

In order to fix this problem, the Institute for Spending Reform created SpendingTracker.org in 2017. This tool is

straightforward: It simply tallies every vote for new spending or savings. The results confirm what advocates have long suspected: True fiscal conservatives are few and far between, and perhaps always have been.

In the most recent session of Congress, the 115th, only five members in the House—Justin Amash (R-Mich.), Thomas Massie (R-Ky.), Jimmy Duncan (R-Tenn.), Raúl Labrador (R-Idaho), and Morgan Griffith (R-Va.)—and two in the Senate—Rand Paul (R-Ky.) and Mike Lee (R-Utah)—voted to cut spending on net.

WHO WANTS TO CUT SPENDING?

Score ▾	Name ▾	Party ▾
-\$164,760,000,000	 Justin Amash House—Michigan	R
-\$164,601,000,000	 Thomas Massie House—Kentucky	R
-\$144,362,780,000	 Jimmy Duncan House—Tennessee	R
-\$118,473,180,000	 Raul Labrador House—Idaho	R
-\$38,186,500,000	 Morgan Griffith House—Virginia	R

SPENDINGTRACKER.ORG/RANKINGS, accessed March 8, 2019

There are, of course, a handful of others who showed restraint. Maybe they did not vote for overall spending cuts, but they worked to reform spending and spent less than others. Overall, though, the picture is bleak. In the 115th Congress, President Trump signed just over \$1.7 trillion in new spending into law. The average politician—in both parties—voted to approve just over \$1.5 trillion.

Over time, profligacy is common, too. During his time in office, President Obama signed into law nearly \$8.5 trillion in spending that otherwise wasn’t slated to occur. As a more specific example, in his last two years, he enacted \$1.84 trillion in new spending—of which the median House Democrat voted for \$1.81 trillion, and the median House Republican voted for \$1.77 trillion. That’s not exactly a stunning difference.

Humorously or sadly—or both, depending on your perspective—current House Minority Leader Kevin McCarthy has

voted for the exact same amount of spending that then-President Obama signed into law.

There are champions in Congress now, just as there have been in the past. But those who are willing to keep spending trillions still remain a clear majority.

What’s the Solution?

For years, fiscally conservative advocates have cried about debt crises, only to be mocked when such crises didn’t occur. We have spoken of the advantages of the free market and the beauty of supply and demand in abstract terms—all while command and control from Washington has been on the march.

In 2019, it seems that fiscal conservatives are at risk of becoming a dying breed, but it does not have to be this way.

In fact, success lies in making the issue real and present for every American. It lies in linking responsibility to every action and highlighting consequences today, not down the road. Now more than ever, we have the tools to do so.

This is not to suggest that we should stop talking about the debt and deficits, but rather, that we do ourselves and our cause a disservice by allowing those issues to distract from the root of the problem: Runaway spending and an ever-encroaching federal government that knows no limits—regardless of who is in power.

We have to make the case that government spends people’s money badly, regardless of whether the books are balanced.

Every government program, no matter how wasteful or harmful, will have a well-paid defender materialize once it’s at risk of being trimmed. The task, then, is to balance this pressure with real information on the consequences of government spending and who is responsible for it.

In so many walks of life, technology has revolutionized how people think about what is possible. It’s no longer implausible that autonomous vehicles will replace human drivers, or that hyperloops will reinvent transportation altogether. The world of spending policy needn’t be any different. Responsibility may have been impossible a generation ago, but not now.

It is ultimately up to us to make the case why our own generation—not just future ones—is at risk when government grows beyond its proper scope. We must get real with who’s to blame, even if they are on “our side” for other issues. We must take advantage of every tool that new technology offers to help us hold them accountable.

And we must remember that, as Ronald Reagan warned a decade and a half before he first ran for president, freedom is never more than one generation away from extinction. So, too, are strong economies, sound money, and the high standards of living that free markets make possible. ■

Mr. Bydlak is the founder and president of the Institute for Spending Reform, and the creator of SpendingTracker.org.

CLASS WARFARE TAXES:

☒ Are Not Fair,

☒ Will Not Help the Economy,

☒ Are Not Needed to Balance the Budget, and

☒ Will Not Reduce Poverty

BUT THEY WILL GIVE
LAWMAKERS MORE POWER—
AND THAT'S THE POINT

BY DANIEL J. MITCHELL

IF PROGRESSIVE POLITICIANS HAVE THEIR way, tax policy will become a new tool of class warfare. Self-described socialists Rep. Alexandria Ocasio-Cortez (D-N.Y.) and Sen. Bernie Sanders (D-Vt.) say marginal tax rates should be raised to 70 percent. And Sen. Elizabeth Warren (D-Mass.), who likes to tell entrepreneurs they didn't build their businesses, has proposed a wealth tax. Numerous liberal lawmakers and even some academics on the Left have fallen in line behind such proposals.

The justifications for such proposals range from addressing allegedly rising economic inequality, to balancing the federal budget, to funding new spending proposals such as a Green New Deal or Medicare for All.

How times have changed. In the 1980s, when Congress got to work writing what became the Reagan tax cuts, Democrats who wanted lower tax rates battled Republicans who wanted even lower tax rates. But both sides understood that high marginal tax rates were harmful, and both parties sought to reduce top tax rates. This led to the bipartisan 1986 Tax Reform Act, which dropped the top tax rate to 28 percent.

Unfortunately, that consensus for lower rates began to break down soon after President Reagan left office. Some presidents (George H.W. Bush, Bill Clinton, and Barack Obama) were willing to raise top tax rates, but it's noteworthy that they advocated only incremental increases. And those periodic rate increases were somewhat offset by incremental cuts under George W. Bush and Donald Trump.

While there was tinkering at the margins, everybody seemed to understand that big rate increases would be destructive. As such, radical increases in tax rates were not part of the public debate—until now.

The case for such tax increases, however, remains just as faulty as it ever was. Raising marginal tax rates reduces the rewards for productive effort, reduces entrepreneurship, and reduces opportunities—for everybody, rich and poor alike.

The Economics of Marginal Tax Rates

To set the stage for this discussion, here are two simple definitions:

- The “average tax rate” is the share of your income taken by government. If you earn \$50,000 and your total tax bill is \$10,000, then your average tax rate is 20 percent.
- The “marginal tax rate” is the amount of money the government takes if you earn more income. In other words, the additional amount government would take if your income rose from \$50,000 to \$51,000.

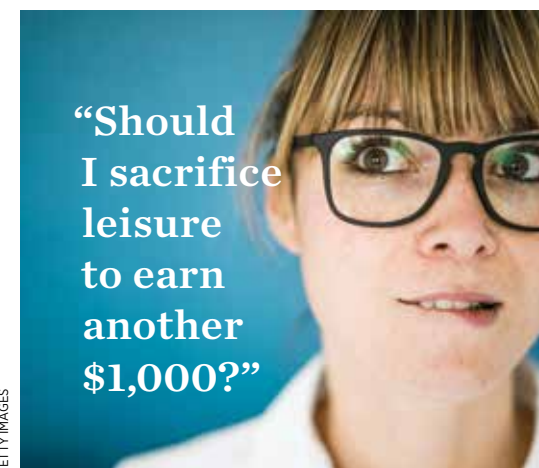
These definitions are important because we want to contemplate why and how higher marginal tax rates discourage work, saving, investment, and entrepreneurship. When people are considering whether to work harder, work longer, build assets, take risks, or start businesses, they don't worry about average tax rates.

They consider whether the extra effort will lead to a sufficiently large extra reward. The graphic below depicts a hypothetical taxpayer contemplating whether to earn more income rather than enjoy more leisure.

Taxes discourage production that would otherwise be worth having, and the higher the taxes the greater the lost production. Economists call such lost production a “deadweight

HOW TAXPAYERS CONSIDER MARGINAL TAX RATES

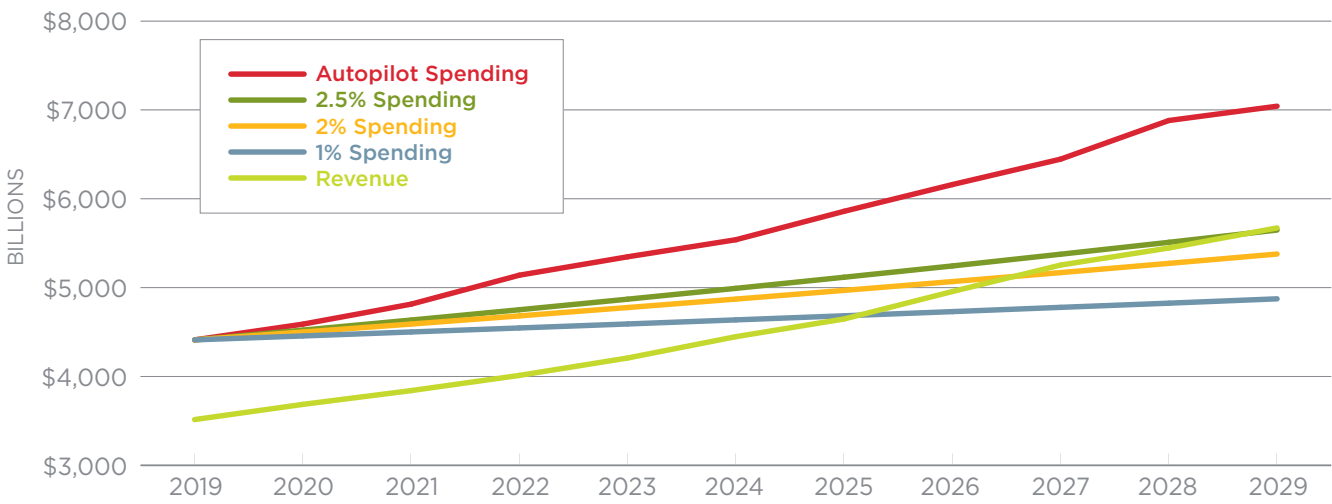
Taxpayer with annual income of \$50,000



Marginal Tax Rate

- 0% — “Yes, I want to be successful!”
- 20% — “Sure, why not?”
- 50% — “Meh. Not today.”
- 100% — “No way!”

BALANCING THE BUDGET WITH MODEST SPENDING RESTRAINT



Source: Congressional Budget Office

loss,” a term for the value that is forgone when something (e.g., high taxes, price controls, subsidies) disrupts the markets’ signals, leading producers to make less. These deadweight losses expand geometrically as tax rates increase arithmetically.

That’s just a fancy way of saying that the economic damage of increasing tax rates from 40 percent to 50 percent is significantly greater than the damage of boosting tax rates from 30 percent to 40 percent. And pushing marginal tax rates up to 70 percent will produce significantly greater losses still.

Seven Reasons to Say No to Class Warfare Taxes

Let’s review some practical reasons why class-warfare tax policy would be misguided. The first two reasons apply to any tax increases.

1. CLASS-WARFARE TAX INCREASES ARE NOT NEEDED TO BALANCE THE BUDGET.

Some politicians and activists on the Left openly assert that they want higher burdens on upper-income taxpayers for reasons of spite and envy. That may even be the primary motive for most of them. In many cases, though, supporters of high tax rates claim that they want to generate additional revenue to reduce red ink and balance the budget. The alternative to higher revenues, they say, is draconian spending cuts.

Even if they are being sincere, this argument is misguided. Based on the new numbers from the Congressional Budget Office, it’s quite simple to balance the budget with modest spending restraint. Tax revenue is projected to rise by about

5 percent annually. Reducing red ink merely requires that spending grow by less than 5 percent each year.

And if lawmakers simply limit spending so that it grows 2.5 percent per year, which is slightly faster than the projected rate of inflation, then the budget is balanced within 10 years. And if there is even more spending restraint, as illustrated by this chart, it is possible to balance the budget even faster (see above).

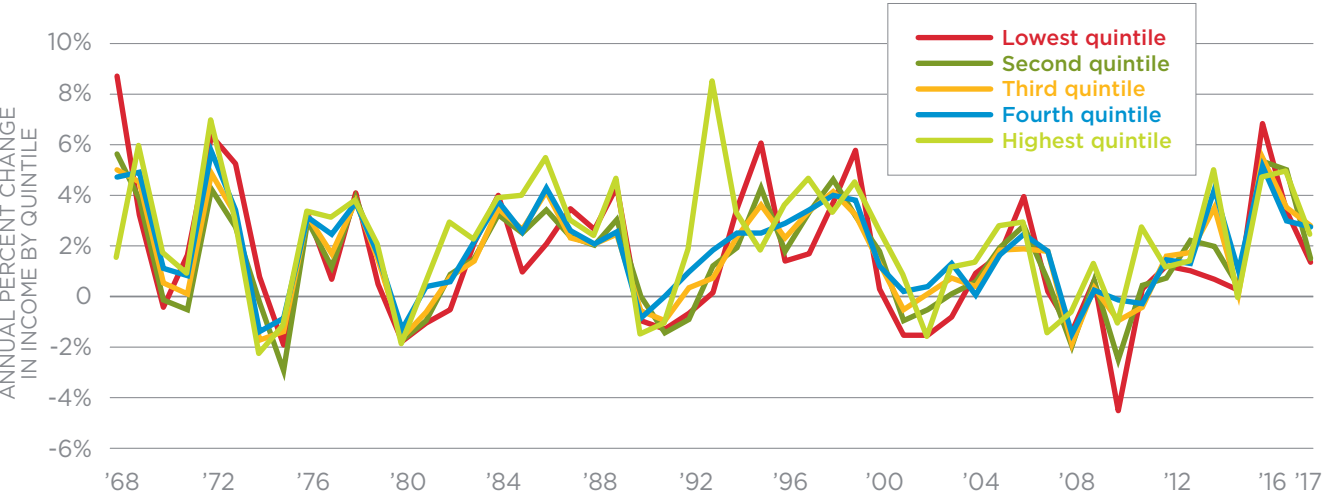
2. CLASS-WARFARE TAX INCREASES ENCOURAGE MORE SPENDING.

Another oft-cited reason for tax increases is that politicians and activists on the Left want more spending. There certainly are plenty of examples to cite, such as the Green New Deal, Medicare for All, government-funded child care, and a host of other initiatives floating around Washington to expand the burden of federal spending.

But tax increases (whether class-warfare tax hikes or general tax hikes) also have an indirect impact on spending. In part, this is because politicians realize that tax increases will irritate at least some subset of voters, which means they then feel pressure to “give” something to those voters in hopes of compensating for that angst.

Even more important, though, is the late Milton Friedman’s wise observation that, “In the long run government will spend whatever the tax system will raise, plus as much more as it can get away with.” In other words, if we send more of our income to Washington, politicians will figure out ways to buy votes with that money.

A RISING TIDE LIFTS ALL BOATS AND WE ALL SUFFER DURING ECONOMIC WEAKNESS



Source: Census Bureau

3. CLASS-WARFARE TAX INCREASES HARM ECONOMIC PERFORMANCE.

Now let’s focus on why class-warfare tax increases are particularly damaging to the economy. Revisiting our earlier discussion of marginal tax rates and deadweight loss, the core problem with various soak-the-rich tax hikes is that they almost inevitably involve imposing greater penalties on productive behavior on the part of investors, entrepreneurs, and small business owners.

- Higher income tax rates penalize them for earning income and creating wealth.
- Higher capital gains taxes discourage the most productive investments.
- Higher death taxes penalize growing businesses and building capital.
- Higher corporate taxes penalize job creation and reduce wages for workers.

That such taxes harm economic growth is pretty well established by the studies that have looked into the matter. A 2012 literature review by William McBride (“What Is the Evidence on Taxes and Growth?” Tax Foundation) concluded:

More and more, the consensus among experts is that taxes on corporate and personal income are particu-

larly harmful to economic growth, with consumption and property taxes less so. This is because economic growth ultimately comes from production, innovation, and risk-taking.

To be sure, there are some less-destructive ways of targeting upper-income taxpayers. When state and local governments issue bonds, the interest on those bonds is exempt from tax. Eliminating the tax-free status of such “muni bonds” would generate revenue almost solely from the rich.

Eliminating tax preferences is good policy, but ideally the revenues from such reforms should be used to finance pro-growth tax reforms, such as lower rates and reduced double taxation. Otherwise, as noted above, lawmakers will simply spend the money on their pet projects.

4. CLASS-WARFARE TAX INCREASES FOMENT SOCIAL DISCORD.

The explicit purpose of tax-the-rich schemes is to identify, isolate, and demonize a small minority of the American population. This “politics of hate and envy” may or may not be a successful political strategy, but it is corrosive. It seeks to convince ordinary voters that their lives are somehow worse because some people are very successful. This is nonsense, and there is plenty of empirical evidence demonstrating that income trends for the rich, poor, and middle class are strongly correlated. The chart above, based on Census Bureau data, confirms President John F. Kennedy’s observation that “a rising tide lifts all boats.”

1980 TAXES PAID ON INCOME OVER \$200,000			
	1980 Returns	1980 Taxable Income	1980 Income Tax Paid
\$200,000–\$500,000	99,971	\$22,696,007	\$11,089,114
\$500,000–\$1,000,000	12,397	\$6,512,424	\$3,613,195
\$1,000,000+	4,389	\$7,013,225	\$4,301,111
Total	116,757	\$36,221,656	\$19,003,420

1988 TAXES PAID ON INCOME OVER \$200,000			
	1988 Returns	1988 Taxable Income	1988 Income Tax Paid
\$200,000–\$500,000	547,239	\$134,655,949	\$38,446,620
\$500,000–\$1,000,000	114,652	\$67,552,225	\$19,040,602
\$1,000,000+	61,896	\$150,744,777	\$42,254,821
Total	723,697	\$352,952,951	\$99,742,043

SOURCE: Internal Revenue Service

But there’s another reason to be concerned about the demonization of upper-income taxpayers. In her *Bourgeois Era* trilogy, economic historian Deirdre McCloskey documents that the unprecedented explosion of prosperity in the West was largely triggered and enabled by a newfound cultural appreciation for entrepreneurship. The class-warfare tax agenda, by contrast, is based on the notion that highly successful people should be targeted, or, as some on the Left argue, taxed out of existence.

5. CLASS-WARFARE TAX INCREASES ALMOST NEVER RAISE AS MUCH REVENUE AS PROJECTED.

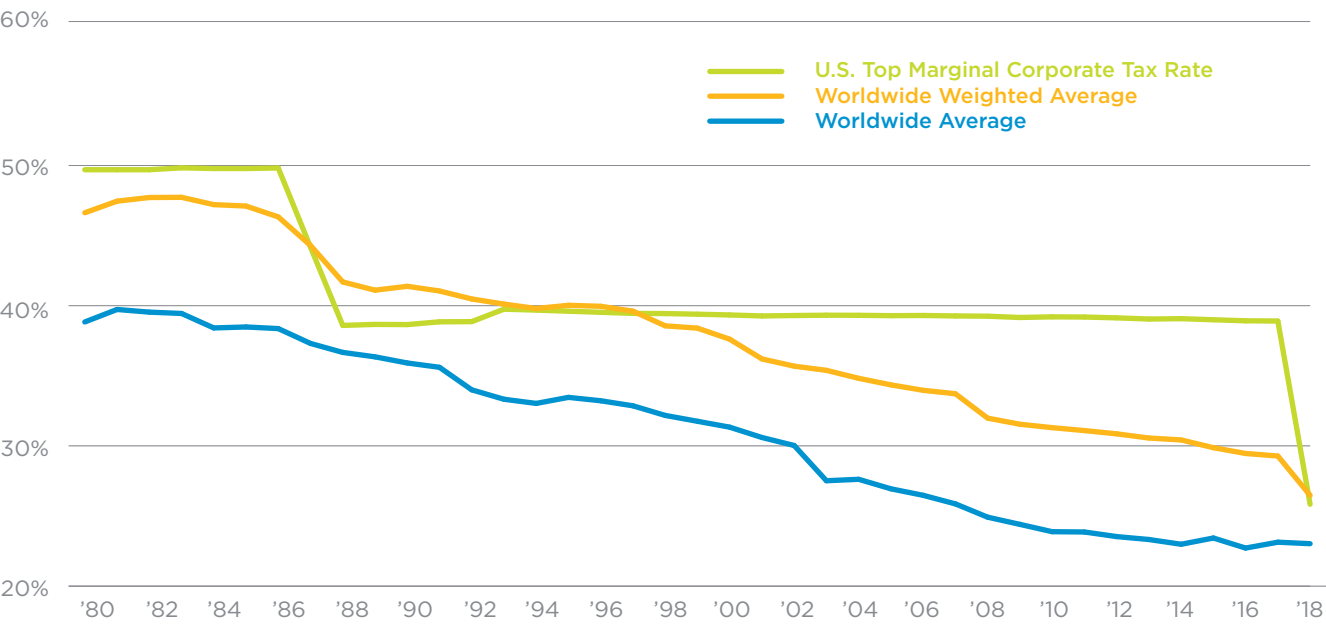
When politicians target upper-income taxpayers, they are going after an elusive target. Unlike ordinary taxpayers, who get the lion’s share of their income in the form of wages and salaries, rich taxpayers get the vast majority of their income from business profits and investment earnings. This has enormous implications for tax policy since ordinary taxpayers are less able to change their wages and salaries quickly in response to changes in tax rates. But it’s relatively easy for upper-income taxpayers to change business operations or their investment patterns in response to shifts in tax policy.

And because they have considerable control over the timing, level, and composition of their incomes, rich taxpayers can control how much taxable income they are earning and reporting on their tax returns. So when tax rates go up, they declare less income to the government. And when tax rates go down, they declare more income to the government. This means that punitive tax rates don’t necessarily generate a lot of revenue. Or even any revenue. Likewise, low tax rates may actually be the best policy to generate more tax revenue. The most famous example may be from the 1980s. According to the Internal Revenue Service’s Statistics of Income, high-earning taxpayers earned and reported far more income after President Reagan and Congress lowered the top tax rate from 70 percent to 28 percent. Taxable income was so much greater that these high earners actually paid far more money to Uncle Sam in 1988 than they did in 1980 (see above).

6. CLASS-WARFARE TAX INCREASES ENCOURAGE MORE LOOPHOLES.

When tax rates increase, the value of a tax preference goes up by the same amount. Consider, for instance, the value of a tax deduction when the tax rate is 20 percent. Taxpayers with \$100 in deductions reduce their tax burden by only \$20. But

TOP MARGINAL CORPORATE TAX RATES HAVE DECLINED SINCE 1980



Source: Tax Foundation. Data compiled from numerous sources including: PwC, KPMG, Deloitte, and the U.S. Department of Agriculture.

if the tax rate is 70 percent, then the same \$100 deduction suddenly produces tax savings of \$70.

Rising rates create a perverse incentive structure. As rates go up, deductions become more valuable, which then encourages more taxpayers to make decisions that will enable them to take advantage of those deductions. That reduces the amount of tax money going to politicians, which encourages them to raise tax rates even further, which simply makes tax deductions even more valuable. In the meantime, lobbyists work to create new deductions because it is so valuable for taxpayers to protect their money.

7. CLASS-WARFARE TAX INCREASES UNDERMINE COMPETITIVENESS.

It upsets some people, but it’s abundantly clear that we now live in a globalized economy. One of the implications is that investors, entrepreneurs, and businesses can easily choose where to invest money and create jobs. There are many factors that influence that decision, but tax policy plays a key role.

In recent decades, globalization has encouraged and enabled a very virtuous cycle of tax competition. It started when Ronald Reagan and Margaret Thatcher slashed tax rates in the United States and the United Kingdom, respectively; the tax-cutting trend has since spread all over the world. Personal tax rates are

now much lower than they used to be, and the fall in corporate tax rates is even more dramatic. Countries also have lowered taxes on capital gains, and many of them have eliminated death taxes and wealth taxes (see above).

Even though the United States helped start this desirable process, it then fell behind—especially with regards to business taxation and the tax burden on investment. The 2017 Trump tax plan helped improve America’s competitive position, so it would be most unfortunate if a wave of new class-warfare tax increases reversed that reform and pushed the United States even further in the wrong direction.

Conclusion

The new wave of bad tax proposals from major Democratic lawmakers unfortunately confirms that the era of bipartisan tax reform is officially dead. What we don’t know is whether some or all of these bad tax policies will be imposed on the U.S. economy.

For the sake of workers, investors, and entrepreneurs, let’s hope the answer is no. 🚩

Mr. Mitchell is a co-founder and chairman of the Center for Freedom and Prosperity. He is the co-author, with Chris Edwards, of Tax Revolution: The Rise of Tax Competition and the Battle to Defend It (Cato Institute, 2006).



Who Taught Citizens to Think of Themselves as Victims?

BY MIKE GONZALEZ

THE POLITICAL AND SOCIAL CONFLICTS dividing America today are rooted in a shift in thinking that occurred in the previous century. That shift concerns our understanding of the inherent tension between freedom and equality. The divisions have broken up the rough consensus that used to exist in America.

Love of liberty remains a constant in America, even if now some on the Left love it only in areas where it means unbounded pleasure-seeking and want to constrain freedom where it delivers material rewards. Yet, it is in the definition of equality that the biggest and most damaging change has happened. A new meaning of the concept has prompted a dramatic growth in government intervention into our lives,

which in turn has created pathologies that are changing the American character.

We used to say that American politics was played within the 40-yard lines, and it was largely true. Within those hash marks was the “liberal consensus” written about by the noted social scientist Louis Hartz, whose work influenced a generation. By liberal, of course, he and the many he inspired meant what we call today “classical liberalism”—i.e., a respect for individual freedom, private property, consent of the governed, self-preservation, and equality under the law.

Whatever one may think of what Hartz wrote, it is true that we had never (until recently) had strong socialist or reactionary political forces, at least not in the class-based way they are

understood in Europe and Latin America. Failure was seen as the Puritans saw it, often the result of personal flaws and something about which to be ashamed, and not as Europeans saw it, as a consequence of the class into which one was born.

There have always been critics of the American system, to be sure, especially about a century ago when the Progressives and Transnationalists were numerous among intellectuals. Yet, they were fringe elements, even under the progressive Presidents Theodore Roosevelt and Woodrow Wilson, and were not to have an impact on the way the country was run till after mid-century. Until then, America was largely ideology-free. Attachment to freedom (in Hartz’s words, “an irrational attachment to freedom”) was about all we had.

Our institutions, from the media to the academy, reflected that broad consensus. Until mid-century or thereabouts, writes the media critic Robert Lichter:

[L]iving within the framework of a broad ideological consensus, American newsmen, like most other Americans, found it difficult to recognize that their view of the world might be shaped by a particular set of premises, a paradigm or Weltanschauung, which strongly influenced their view of social causation and hence their view of what the facts were [...] News and entertainment took the hue they did largely because publishers and most reporters believed that was the way it was and should be. Key elites in American society accepted the broad framework of the American ideological consensus, and most did not even realize that there might be other ways of looking at the world.

The consensus breaks up when the meaning of *equality* begins to transmogrify. The inherent tension between equality and freedom was much more manageable when the goal was equality of opportunity and not of outcome, and when the evil to eradicate was *disparate treatment*, not *disparate impact*.

The social scientist Irving Louis Horowitz calls the new departure “neo-liberalism.” Many writers believe this begins to happen as a result of one of liberalism’s achievements: the Industrial Revolution, which produced incredible wealth, but also a worker class. The American progressive Herbert Croly, the founding editor of the *New Republic* (*New*, get

it?) was the first to come up with the horserace analogy. In 1909 he wrote:

The democratic principle requires an equal start in the race, while respecting at the same time an unequal finish. But Americans who talk in this way seem wholly blind to the fact that under a legal system that holds private property sacred there may be equal rights, but there cannot possibly be any equal opportunities for exercising such rights.

Croly thus sets up equality in opposition to other freedoms, starting with property.

James Traub writes that, at this point, “the trunk of liberalism now separated into two boughs.” One went with Friedrich Hayek and the other with Isaiah Berlin.

President Franklin Delano Roosevelt’s New Deal changed the relationship of government to the citizen in the 1930s, but dependence on government programs did not really get going until President Lyndon B. Johnson put interventionism on testosterone. The footprint of the welfare state in 1961 was not dramatically larger than it was under FDR or even Hoover: Total entitlement transfers to individuals accounted for less than 5 percent of gross domestic product. By 2015, that figure had nearly tripled—to 14 percent—with over a third of the population receiving needs-based benefits from the government. Today entitlement transfers claim 21 percent of GDP.

When the Great Society was launched in 1965, transfer payments to individuals were 30 percent of government outlays. By 1975 they had risen to 50 percent, and in 2017 they accounted for 72 percent of the federal budget.

The difference then is not so much the New Deal, but the Great Society. And it shouldn’t surprise us that in his speech launching his ambitious domestic agenda, Johnson made use of Croly’s horserace analogy:

You do not take a person who, for years, has been hobbled by chains and liberate him, bring him up to the starting line of a race and then say, “You are free to compete with all the others,” and still justly believe that you have been completely fair. Thus it

“
President Franklin Delano Roosevelt’s New Deal changed the relationship of government to the citizen in the 1930s, but dependence on government programs did not really get going until President Lyndon B. Johnson put interventionism on testosterone.

is not enough just to open the gates of opportunity. All our citizens must have the ability to walk through those gates. This is the next and the more profound stage of the battle for civil rights. We seek not just freedom but opportunity. We seek not just legal equity but human ability, *not just equality as a right and a theory but equality as a fact and equality as a result.* [Italics added.]

The identity politics and victimhood culture that are so devastating to the American character today got their start when Leftist activists in the late 1960s pushed for analogizing the experience of black Americans—for whom the civil rights movement was solely intended—to other groups in society. The Census Bureau created the first National Advisory Committee on Race and Ethnicity in 1974. President Richard Nixon, distracted by the Watergate scandal, appointed a director of the bureau who was susceptible to intimidation by activists from the National Council of La Raza and other ethnic-identity groups financed by the Ford Foundation. This move was not a reaction to immigration; the immigration law of 1965 had not yet had a demographic impact. The percentage of the foreign born in America in 1974 was around 4.6 percent—a historic low compared to all the years from 1850 to the present.

Many of our ills—from the breakup of America into warring tribes to the collapse of the family, from the rise in out of wedlock births to the Marxist takeover of the culture-making industries—are linked to, if not the direct of result of, the skyrocketing of government spending as a percentage of GDP.

“The corrosive nature of mass dependence on entitlements is evident from the nature of the pathologies so closely associated with its spread,” writes Nicholas Eberstadt. There’s no hope of it ending soon because “[t]he incentive structure of our means-based welfare state invites citizens to accept benefits by showing need, making the criterion for receiving grants demonstrated personal or familial financial failure, which used to be a source of shame.”

In turn, this ballooning welfare spending arises from the split in liberalism and the new belief that “equity” requires “equality as a result.” As Horowitz writes, the racetrack metaphor meant that:

[T]he old liberalism assumed that individuals required a common starting place to such betterment and advancement. [...] [N]eo-liberalism soon developed its own momentum in a post-Hartizian universe. It was a strategy that differed markedly from classical liberalism. It came to identify itself with a new set of outcomes, defined and determined by differential weights for different people, again, much like a horse in handicap races. Artifacts to impede their speed would weigh down good horses, while slower horses would escape such an outcome, and indeed be given incentives precisely because they are slower out of the gate.

As the late, great Robert Bork explained, modern liberalism allows individual freedom only in areas of life where “there is no danger that achievement will produce inequality

and people wish to be unhindered in the pursuit of pleasure[—]sexuality and the popular arts.” In areas where individual liberty produces inequality, the imperative of equality of outcome produces coercion in the form of quotas, affirmative action, etc. Equality of outcome, Bork observed, “necessarily presses us toward collectivism, because a powerful state is required to suppress the differences that freedom produces.”

According to modern critics of the Enlightenment, such as Bork and Yoram Hazony, the seed of liberalism’s destruction resided within its birth. “Liberalism always had the tendency to become modern liberalism,” Bork writes. “The difference was that classical liberalism, the glory of the last century, was not simply a form of liberalism but an admixture of liberalism’s drives and the forces that opposed those drives.”

Modern liberalism, he adds, “is powerful because it has enlisted our cultural elites, those who man the institutions that manufacture, manipulate and disseminate ideas, attitudes and symbols[—]universities, churches, Hollywood, the national press (print and electronic), foundation staffs, the ‘public interest’ organizations.”

Bork’s solution is to “rebuild the constraints that once made liberalism classical liberalism.”

Can we do that? 🏠

Mr. Gonzalez is a fellow at The Heritage Foundation.

“
Equality of
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The Enemies of Free Speech Are Targeting the Internet

BY MATT NESE AND LUKE WACHOB

A CENTRAL IDEA BEHIND THE FIRST Amendment’s protection of free speech is that a free marketplace of ideas better serves the search for truth than does a small elite armed with the power of censorship. Accordingly, the solution to bad speech is more speech, not less. That theory, however, is being set aside by lawmakers determined to make sure that no citizen’s political opinions are manipulated by foreign powers peddling fake news on the internet.

In 2017, a number of senators, led by Amy Klobuchar (D-Minn.), introduced the “Honest Ads Act” in response to revelations that the Russian government attempted to spread disinformation on the internet to American voters during the 2016 election. The previous Congress did not pass the bill, but it was reintroduced in the Senate in May 2019 and may yet pass. The bill seeks to extend to the internet the kind of reporting requirements found in campaign finance laws.



Klobuchar appeared on “Meet the Press” in February 2018, to discuss the bill. So focused was host Chuck Todd on the threat of fake news, that he neglected to ask Klobuchar any question raising First Amendment concerns. He did ask, however, if the government should fine social media companies that fail to remove automated accounts, or “bots.” Klobuchar said: “I think that would be a great idea.”

But there are First Amendment concerns aplenty about the bill. It makes it financially expensive and legally risky for all but the largest organizations to speak on the internet on matters of public importance. To prevent a few bad actors from spreading lies, the bill chills virtually all sponsored political speech online.

From Information Superhighway to Information Checkpoint Charlie

To understand the truly breathtaking changes being proposed by Klobuchar and others, consider the laissez-faire history of political advocacy on the internet. Online campaigning was barely on the radar the last time Congress overhauled federal campaign finance laws in 2002. That turned out to be a blessing.

The first candidate to be widely credited with a successful online operation was Howard Dean two years later, in his run for the Democratic nomination for president. Though Dean’s campaign flamed out memorably, his online success became a model for others. In 2008, Barack Obama won not only the Democratic nomination but the presidency on a campaign that used digital tools heavily. Notably, this development was cheered, not criticized, by the mainstream media.

Democrats may have been first to capitalize on the internet’s potential but make no mistake: Conservatives use the internet to support their causes as well.

Just as President Obama’s supporters turned to the internet to mobilize, so did his critics. Conservative leaders and pundits reached larger audiences than ever before through YouTube and right-leaning blogs. Conservative advocacy groups and government watchdogs created Facebook pages to get closer to their supporters. Local activists turned to Twitter and Reddit to spread their messages. New data tools empowered groups of all beliefs to identify and reach out to potential supporters at low cost.

By the 2016 election, Republican nominee Donald Trump was being propelled to success, in part, by a strong social media strategy. The internet’s low cost and interactive, share-

what-you-like nature helped Trump defeat Hillary Clinton despite being outspent 3-to-1.

Where the internet was once an afterthought for politicians, online strategies are now a core component of most campaigns. Key to this evolution was a bipartisan recognition that the internet should not be heavily regulated like television and radio—after all, the internet is not like television and radio.

While advocacy for or against a candidate had been regulated since the 1970s, the Bipartisan Campaign Reform Act of 2002 went further to regulate television and radio ads that simply name a candidate near an election. Groups that spend over \$10,000 in a calendar year on such ads and reach an audience of at least 50,000 people now must register with the government, file complex reports documenting their spending and the identities of some of their supporters, and include lengthy disclaimers in their communications. States have their own laws regulating political speech, which often expose the names and home addresses of Americans who support groups that mention elected officials in the context of discussing policy issues. Complying with the various state and federal regulations raises the cost of speaking, but the rules are

at least limited to groups spending large sums to reach large audiences in the period leading up to an election.

By contrast, the cost of promoting a message on the internet is nowhere near as high as a major television advertising campaign. As a result, proposals to regulate online speech typically start at much lower thresholds for spending, and therefore affect much smaller groups. And unlike the typical 30-second ads we see on television, the internet offers the potential for speech to come in all different shapes, sizes, and formats. This variety in advertising frustrates efforts to impose TV-like disclaimer and reporting requirements on online speech.

In addition, internet content is often interactive: It asks users to participate in polls; it allows them to rate content; it invites them to comment; and it almost always provides links for users to get more information. The nature of advertising on the internet is also ever-changing with new technological innovations and new ways of reaching people. Regulators should not stifle future innovation with a one-size-fits-all approach.

These points used to carry the day when restrictions on internet speech were proposed, but a funny thing happened after Trump’s unexpected victory in the 2016 election. Atti-

“

To prevent a few bad actors from spreading lies, the Honest Ads Act chills virtually all sponsored political speech online.



THE SENATE JUDICIARY SUBCOMMITTEE on Crime and Terrorism holds a hearing on “Extremist Content and Russian Disinformation Online” on Oct. 31, 2017.

tudes toward the internet began to sour. Instead of continuing to celebrate its success in elevating new voices, now critics attacked the internet as untrustworthy and in need of government oversight. The revelation that Russian groups had purchased a small amount of politically charged online ads for roughly \$100,000—0.01 percent of the \$1.4 billion in digital ad spending in the 2016 election cycle—fanned the flames for intervention.

This negligible amount of Russian spending, and the laughable “memes” they produced, became a justification for old enemies of free speech to rally around a new cry: Regulate the internet!

There are always powerful politicians and activist groups seeking to control debate. In recent years, their efforts have focused on silencing advocacy nonprofits through donor disclosure laws. These laws expose the names, home addresses, and even the employers of Americans who financially support advocacy groups that speak out in support of a cause. It’s a way for government, activists, and even crazed individuals to track and possibly harass supporters of particular causes. Think of

your local pro-life group, the taxpayers’ association in your town, or even the National Rifle Association.

How Bills Regulating Internet Speech Threaten the First Amendment

A closer look at the “Honest Ads Act” reveals it is nothing like its marketing suggests. Rather than a defense against foreign meddling in elections, the bill applies to Americans who use the internet to speak with other Americans about political affairs and the issues of the day. It has gone nowhere in Congress, so far, but it has inspired a plethora of state-level imitators—some of which have been signed into law. These bills represent some of the most serious threats to free speech rights today.

The basic structure of these online speech laws is the same. Each expands the types of ads regulated by the government, often going so far as to regulate any paid ads about any “national legislative issue of public importance.” The bills frequently require inflexible disclaimers that could make many smaller online ads impractical. Especially as online



COLIN STRETCH, GENERAL COUNSEL AT FACEBOOK, Sean Edgett, acting general counsel at Twitter, and Richard Salgado, director of law enforcement and information security at Google, testify at a Senate Judiciary Subcommittee on Crime and Terrorism hearing on “Extremist Content and Russian Disinformation Online” on Oct. 31, 2017

technology continues to develop, it may be impossible for speakers to comply with these static disclaimer requirements. The bills would also require groups running political and issue ads to file complex reports with the government—sometimes including donor disclosure (surprise, surprise). Of course, there are substantial fines and penalties for violations, even minor ones, and the potential for politically motivated investigations.

The end result? The internet would become less useful to grassroots campaigns and average Americans trying to speak. At the same time, such restrictions would pose little obstacle to well-funded interest groups and candidate campaigns; they can better afford to pay for the legal guidance needed to navigate a more heavily regulated internet.

On top of all that, online speech bills typically include a “public file” requirement, whereby the group running the ad—

and the platform (Facebook, Twitter, your local newspaper) that accepts it—must report detailed information such as how much the ad cost, to whom they promoted it, how many views it generated, a list of the group’s Board members and officers, and other minutiae. Studies suggest these reports are of little value to voters, but they serve as roadmaps for a group’s opposition. Knowing exactly what a group is saying, to whom, and at what cost can be tremendously valuable to savvy political operatives trying to halt their progress. Unfortunately, with the threat of government action looming in the background, companies like Facebook and Twitter have begun constructing these databases themselves.

While the Honest Ads Act has not yet become law, it has been the model for numerous state bills regulating speech on the internet. In 2018, Colorado, Idaho, Maryland, New York, North Carolina, Vermont, Virginia, and Washing-

DREW ANGERER/GETTY IMAGES

ton all considered bills modeled after the Honest Ads Act. Maryland, New York, and Washington did pass such bills into law. This year, Colorado, Connecticut and North Carolina are considering bills similar to the Honest Ads Act. Those bills either impose new disclaimer rules on internet ads, require internet platforms to publish information about ad-buyers, or regulate online ads as electioneering communications.

In Maryland, the law is so impossibly broad that it covers online speech that merely “relates to” a candidate, prospective candidate, ballot question, or prospective ballot question. So, virtually any political speech online may fall within its dragnet. In Washington, bureaucrats made an already bad law even more complex by requiring platforms to provide “the geographic location and audience targeted” by the ad and “the total number of impressions.” The restrictions in Maryland and Washington were so severe that tech giant Google decided to stop running state-level political ads in both states, at least temporarily, while Facebook announced it would no longer accept political ads in Washington in order to avoid violating its new regulations. If these two tech behemoths have difficulty complying with these laws, smaller outlets will never be able to meet the law’s requirements.

Maryland Gov. Larry Hogan declined to sign his state’s online speech law, noting its First Amendment problems. However, he allowed the measure to become law without his signature. Sure enough, a lawsuit was quickly filed by a coalition of media organizations, including *The Washington Post* and *The Baltimore Sun*. They argue Maryland violated their First Amendment rights by forcing them to publish information about their advertisers and contend that the law imposes unfair burdens on the media. In early January, a federal judge issued a thorough opinion casting doubt on the constitutionality of Maryland’s law, but the challenge is still working its way through the legal process.

If these and similar efforts to restrict online political speech are successful, we may lose the internet as a vibrant space for discussion about government and candidates. The legacy of the internet as a space for new voices and a counterweight to television and radio could one day be a mere memory. In its place would be yet another highly-regulated, expensive media platform dominated by big companies, well-heeled D.C. insiders, and expensive lawyers.

Saving Free Speech Online

The fight to save free speech online puts conservatives in an unusual position. Silicon Valley has a reputation for leaning left, and accusations that platforms are biased against conservatives are a common topic of discussion in right-leaning media. However, if the government is allowed to regulate political speech online, the situation will get far worse for grassroots campaigns of all stripes. As Ronald Reagan once quipped, the nine most terrifying words in the English language are: “I’m from the government, and I’m here to help.”

This new front in the battle for free speech should unite Americans of all backgrounds. If foreign governments are trying to interfere in our elections, state campaign finance laws aren’t the solution. Does anyone really believe the Russians or the Chinese are going to obey American campaign finance regulations anyway? The federal government has agencies that specialize in dealing with hostile actors online, and burdening Americans’ free speech rights with a litany of regulations will not make it easier for them to do their jobs.

Not since the introduction of the printing press has there been a tool that has so drastically changed the way we communicate with one another. The internet is where many Americans go to share their views and learn about the views of others. It is where they go to organize petitions, rallies, and voter registration drives. It is one of the main sources for information about govern-

ment, public policy, and elections. Without an internet free from government interference, the marketplace of ideas is less open and much smaller. In order for the internet to continue to organize and motivate Americans in public life, it must remain free from heavy-handed regulation.

More proposals to regulate online speech laws are sure to come in 2019 and beyond, both in Congress and in states across the country. Now is the time for defenders of free speech to be vigilant against efforts to restrict speech online. Otherwise, we will find we have lost our rights—and our voices! 🗣️

Mr. Nese is the director of external relations at the Institute for Free Speech, the nation’s largest organization dedicated solely to defending First Amendment political speech rights. Mr. Wachob is the communications director at the Institute for Free Speech.

“Without an internet free from government interference, the marketplace of ideas is less open and much smaller. In order for the internet to continue to organize and motivate Americans in public life, it must remain free from heavy-handed regulation.”

MAY

23 After the Fanfare: Family First One Year Later, American Enterprise Institute, Washington, D.C., 11 AM

23 Negotiating with China During Peacetime, Crisis, and Conflict, American Enterprise Institute, Washington, D.C., 2:30 PM

23 America's Future Foundation Annual Gala and Buckley Awards, Nationals Park, Washington, D.C., 7 PM

23 Canterbury Medal Gala, Becket Fund, Pierre Hotel, New York, 6 PM

23 The Wealth Explosion: The Nature and Origins of Modernity, Cato Institute, Washington, D.C., Noon

23 "You Can Say That" with David French, Georgia Public Policy Foundation, Georgian Club, Atlanta, 11:30 AM

23 Trumponomics, Heartland Institute, Arlington Heights, Ill., 5:30 PM

23 Protecting Free Speech on Campus, Maine Heritage Policy Center, DiMillo's on the Water, Portland, Maine, Noon

23-26 World Taxpayers Conference, World Taxpayers Association, Aerial UTS Function Center, University of Technology Sydney

27-29 Oslo Freedom Forum, Oslo

28 The Once and Future Worker, Federalist Society, Davenport Press, Mineola, N.Y., 6 PM

28-29 National Review Institute's Ideas Summit, Mandarin Oriental, Washington, D.C.

28-31 Resource Bank, The Heritage Foundation, Westin Kierland Resort, Scottsdale, Ariz.

29 Why Is College So Pricey? Theories Compete! Cato Institute, Washington, D.C., 4 PM

29 Racial Discrimination in the Harvard College Admissions Process, Federalist Society, Great Southern Club Hancock Whitney Bank Building, Gulfport, Miss., 11:45 AM

29 The Diversity Delusion, Federalist Society, 3 West Club, New York, 7 PM

30 DC Book Party with Robby Soave, Reason Foundation, Washington, D.C., 6 PM

JUNE

3 Tiananmen Square Massacre Candlelight Vigil, Victims of Communism Memorial Foundation, Corner of New Jersey Avenue, NW, and Massachusetts Avenue, NW, Washington, D.C., 8:30 PM

4 Tiananmen Square Massacre Rally of Remembrance, Victims of Communism Memorial Foundation, United States Capitol West Lawn, Washington, D.C., 1:30 PM

4 Europe's Economic Challenge after the Parliamentary Election, American Enterprise Institute, Washington D.C., 2 PM – 4 PM

4 Battleground of Perception: Countering Threats to Free and Open Societies, Hoover Institution, Hauck Auditorium, Stanford University, 4:30 PM

4 Book Talk and Signing with Author Richard Vedder, Texas Public Policy Foundation, Austin, 11:30 AM

5 Bridging the Divide Summit, American Enterprise Institute, Westin Denver Downtown

5 The G20 and the Global Economy: A Conversation with International Monetary Fund Managing Director Christine Lagarde, American Enterprise Institute, Washington, D.C., 3 PM

5 The Imagery of Freedom, Cato Institute, Washington, D.C., 6:30 PM

5 Benjamin Franklin and the Crisis of the British Empire, Foreign Policy Research Institute, Museum of the American Revolution, Philadelphia, Pa., 6 PM

5 "No Safe Spaces" Advanced Screening, Heartland Institute, Arlington Heights, Ill., 5:30 PM

5 The Price of Auto Insurance: A Barrier to Economic Mobility, Mackinac Center for Public Policy, Radisson Hotel Lansing at the Capitol, Lansing, Mich., 11:30 AM

6 2019 Arizona Supreme Court Review, Federalist Society, Helio Basin Brewing Company, Phoenix, 6 PM

6-9 Economics in the Real World, Foundation for Economic Education, Emory University, Atlanta, Ga.

8 New Mexico: What's Next for Our State's Economy and Politics? Rio Grande Foundation, Pasta Paradiso, Los Alamos, Noon

10 Prisoners of Politics: Breaking the Cycle of Mass Incarceration, Federalist Society, Cafeteria 15L, Sacramento, Noon

11 The Conservative Sensibility: A Conversation Between George Will and Robert Doar, American Enterprise Institute, Washington, D.C., 5:30 PM

12 Financial Inclusion: The Cato Summit on Financial Regulation, Cato Institute, Washington, D.C., 9 AM – 2 PM

12 Putting a Price on Life: The Coming Fight Over Government Rationing of Medical Care, Mackinac Center for Public Policy, Radisson Hotel Lansing at the Capitol, Lansing, Mich., Noon

12 State of the Taxpayer Tour—San Antonio, Texas Public Policy Foundation, San Antonio Country Club, 11:30 AM

12-16 The Principles of Liberty, Intercollegiate Studies Institute, Wilmington, Del.

13 Summer Session with Dr. Samuel J. Abrams, James G. Martin Center for Academic Renewal, Carolina Country Club, Raleigh, Noon

13 State of the Taxpayer Tour—Dallas, Texas Public Policy Foundation, Arlington Hall at Turtle Creek Park, Dallas, 7:45 AM

13 State of the Taxpayer Tour—Houston, Texas Public Policy Foundation, The Houston Club, Houston, 11:30 AM

13 State of the Taxpayer Tour—The Woodlands, Texas Public Policy Foundation, Jaspers, The Woodlands, Texas, 5:30 PM

13-15 FeeCon, Foundation for Economic Education, Marriot Marquis, Atlanta

14 What's Wrong with the Universities and Can They Be Fixed? Pacific Research Institute, University Club of San Francisco, 11:30 AM

14 Roll Call of Nations Wreath Laying Ceremony, Victims of Communism Memorial Foundation, Victims of Communism Memorial, Corner of New Jersey Avenue, NW, and Massachusetts Avenue, NW, Washington, D.C., 9 AM

18 Mutual Funds, Public Employees, Public Pensions, Securities, Social Justice, Environmental Policy, American Enterprise Institute, 10 AM - Noon

18 Is Basic Income the Solution for Rising Poverty and Tech Industry Displacement? Pacific Research Institute, Neyborly, San Francisco, 5:30 PM – 7:30 PM

18 The Big Three: Roosevelt, Stalin, and Churchill During the Second World War, Hoover Institution, Hauck Auditorium, Stanford University

- 18

State of the Taxpayer Tour—Fort Worth, Texas Public Policy Foundation, The Fort Worth Club, Fort Worth, Noon
- 18

State of the Taxpayer Tour—Abilene, Texas Public Policy Foundation, Beehive Restaurant, Abilene, Texas, 5:30 PM
- 19

State of the Taxpayer Tour—Midland, Texas Public Policy Foundation, Petroleum Club of Midland, Midland, Texas, 11:30 AM
- 19-22

High School Conference at the Reagan Ranch, Young America's Foundation, Reagan Ranch Center, Santa Barbara, Calif.
- 20

Competitive Enterprise Institute 35th Anniversary Dinner and Reception, Marriot Marquis, Washington, D.C., 6 PM
- 20-23

Economics in the Real World, Foundation for Economic Education, Chapman University, Orange, Calif.
- 22

Supreme Court Roundup, Federalist Society, California Chamber of Commerce, Sacramento, Noon
- 25

The SEC, Entrepreneurship, FinTech and the Economy, The Heritage Foundation, Washington, D.C., Noon.
- 27

State of the Taxpayer Tour—Austin, Texas Public Policy Foundation, Austin, 11:30 AM
- 27-28

Latin American Liberty Forum, Atlas Network, Intercontinental Real Santo Domingo
- 27-28

How Central Planning Affects Communities, Institute for Humane Studies, San Francisco
- 27-30

Leadership in Action, Foundation for Economic Education, Stetson University, Orlando
- 27-30

The Fund for American Studies Annual Conference, 775 12th Street, NW, Washington, D.C.

- JULY
- 4

National Fourth of July Conservative Soiree, Leadership Institute, Occoquan Regional Park, Lorton, Va. 11 AM – 3 PM
- 9-12

Think Like an Entrepreneur, Foundation for Economic Education, Northwood University, Midland, Mich.
- 10-13

National High School Leadership Conference, Young America's Foundation, National 4-H Conference Center, Chevy Chase, Md.
- 11-14

Economics in the Real World, Foundation for Economic Education, University of Arizona, Tucson, Ariz.
- 13-19

Civil Society in Uncivil Times: How Does Civil Society Impact Individual Freedom? Institute for Humane Studies, Davidson College, Davidson, N.C.
- 14-18

Sphere Summit: Teaching Civic Culture Together, Cato Institute, Washington, D.C.
- 16-19

Think Like an Entrepreneur, Foundation for Economic Education, Lindenwood University, St. Louis
- 17-20

FreedomFest, Paris Resort, Las Vegas
- 23-26

Leadership in Action, Foundation for Economic Education, St. Edward's University, Austin
- 7/29-8/3

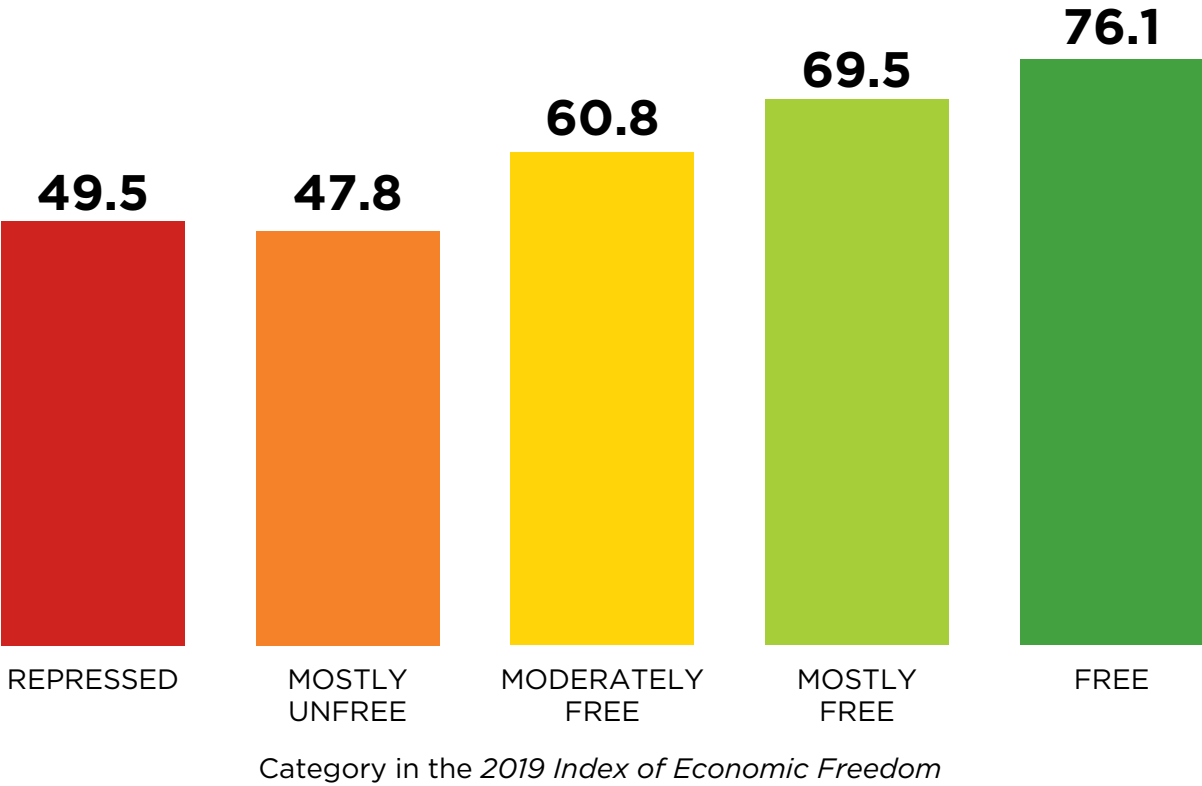
National Conservative Student Conference, Young America's Foundation, Renaissance Hotel, Washington, D.C.
- 7/30-8/2

Leadership in Action, Foundation for Economic Education, University of Denver, Denver

Economic Freedom Is Good for the Environment

Freer economies, as measured by the 2019 *Heritage Index of Economic Freedom*, have better environmental results, as measured by Yale University's 2018 *Environmental Performance Index*.

Environmental Performance Index Score



NOTE: Represented are the 176 countries that are in both the 2019 *Index of Economic Freedom* and the 2018 *Environmental Performance Index*.
SOURCE: Terry Miller, Anthony B. Kim, and James M. Roberts, 2019 *Index of Economic Freedom*, The Heritage Foundation, p. 29. (<https://www.heritage.org/index/download>).

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When did America start obsessing over group identity?

President Lyndon Johnson's Great Society program didn't just expand government; it shifted the purpose of government—from enforcing equal rules for all to pursuing equal results for all. The goal, he explained in 1965, was “not just equality as a right and a theory but equality as a fact and equality as a result.”

A bigger, more interventionist state confers greater rewards on those who organize for the benefit of its members. Thus, it should come as no surprise that our national identity has become fractured as the federal role has expanded. To learn more, read our article beginning at page 32.

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