

The “Big Government” Mythology

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One of the enduring myths of American politics is that business and government share a natural enmity – a fiction entertained on both the right and left, but held with special ideological fervor by the current breed of Republicans. According to Grover Norquist, the Tea Party and every Republican presidential candidate government is innately evil, tyrannical and corrupt, the implacable enemy of personal freedom. In their frenetic “starve-the-beast” crusade, the anti-government warriors are seemingly intent on shrinking the public sector until it bleeds to death, thus enabling American citizens, in Norquist’s words, to finally “get the government off our money, off our guns, off our lives.”

Norquist, founder of Americans for Tax Reform, says he wants to cut government in half within the next decade – then proceed to cut it in half again, then yet again. Like the Tea Party he did so much to inspire, Norquist and his followers apparently yearn for a world in which state power becomes more or less invisible. Or so he claims. Every Republican aspirant for the White House presents an obligatory image of anti-government “outsider” far removed from the diabolical ways of the Beltway, even as all have spent considerable part of their lives in and around establishment politics, deeply embedded in the norms and practices they so routinely denounce.

In their familiar slash-and-burn rhetoric, the new Republicans seem oblivious to the longstanding and tightening partnership between corporations and government, “private” and “public” interests that has come to define the structure of power in American society. Libertarian posturing on the campaign trail and populist masquerading on talk radio has provided rather deceptive clues to Republican behavior in office, which consistently means **increased** federal spending, bigger public deficits, and indeed Bigger Government. Even if all the threatened assaults on the state fortress were to be victorious, the outcome would be nothing less than suicidal to the very interests expected to benefit, because the Tea Party fiction of an eviscerated government – or return to a nineteenth-century “night-watchman state” – is basically a formula for political chaos and economic collapse.

The oft-heard refrain in conservative political discourse that “free markets” are the natural expression of human existence while the state is intrinsically coercive and parasitical – echoes of Ayn Rand and her emboldened circle of apostles – resonates with a tradition steeped in the frontier ethos of self-made individualism in a world dominated by the harsh struggle for survival. As the basis of policy for any modern industrial order, however, it is thoroughly unworkable – disconnected from what has become an institutionalized state capitalism. Superficial calls for small government, free markets and deregulated economy carry a seductive, if superficial, attraction – one reason for their ideological primacy in the campaigns of Rick Santorum, Ron Paul, Newt Gingrich and even the supposedly “moderate” Mitt Romney.

Romney is running as quintessential “anti-politician”, as the simple businessman who entered politics with great ambivalence and has long detested everything about it. The Beltway is totally alien to him. Recipient of generous corporate and super-PAC money, Romney embellishes the persona of outsider. In fact Romney was socialized into establishment politics from childhood, his father having served three terms as governor of Michigan – and of course he later served as governor of Massachusetts and campaigned vigorously three times for national office. The great anti-establishment crusader Gingrich – and former House speaker – in fact relies just as fully as anyone on super-PAC contributions. A dedicated partisan of small government, Gingrich intoned: “If you believe the world is a dangerous place and America should be strong, then Newt Gingrich is your candidate.” Gingrich’s idea of a globally “strong America,” of course, is unthinkable without heightened Pentagon expenditures, more resources for

worldwide U.S. deployments and massive budgets for war preparations not to mention expanded intelligence and surveillance capabilities. How precisely such ambitious militarism is supposed to contribute to “small government” neither Gingrich nor any of the Republican hawks has ever explained.

Leaving aside the question of Gingrich’s warmongering, a further problem with the Republican small-government mantra is that large-scale state power has for many decades performed functions without which American society would face unavoidable descent into chaos – functions in fact indispensable to corporate interests: foreign and military engagement, trade policy, fiscal stabilization, subsidies, law enforcement, bailouts, R&D and crucial infrastructural demands. Even the wildest Tea Party ideologues have been known to defend and often times celebrate these expensive governmental activities, their famous “wrecking” agenda usually going no further than selected social programs and public regulations. What most troubles the free-market charlatans are government measures designed to limit freewheeling corporate power. It follows that Big Government is no enemy of “freedom” when it comes to budget-draining resources for the war economy, security state and global military operations.

The growing concentration (and merger) of corporate, government and military power has come to pervade every corner of the American landscape. Unprecedented big-business lobby power in Washington D.C. – and indeed every state capitol – has blurred the officially divined separation between corporate interests and political power beyond recognition. From several hundred lobbies in the late 1970s, the number of well-funded interest groups had by 2011 risen to more than 12,000, with banking, pharmaceutical, agribusiness, insurance, military and energy conglomerates exerting new leverage over elections, Congressional legislation and such bodies as the Food and Drug Administration, Environmental Protection Agency and Federal Communications Commission.

With U.S. military spending (counting Veterans’ benefits) now approaching one trillion dollars yearly, the budget slashers voice few misgivings about this (scarcely- debated) burden on the public treasury. As the Pentagon adds relentlessly to the fiscal deficit – and with Homeland Security and intelligence devouring yet another \$150 billion annually – none of the great austerity crusaders have stepped forward to protest, and for abundantly good reason: no less than 300,000 American contractors depend on government resources, including more than 40,000 on the military. The surprising fact is that Republican occupants of the White House frequently trump Democrats as tax-and-spend politicians, all the while carrying on about public frugality, small government and free enterprise supposedly essential to “American values.” Dwight Eisenhower’s 1961 farewell *mea culpa* regarding an out-of-control “military-industrial complex” revealed an obvious truth: eight years of Ike’s conservative rule had nurtured a mammoth peacetime war economy and security-state – a regrettable but “necessary” (in his words) Leviathan that flourishes to this day. Ronald Reagan, warning that “government is the problem, not the solution,” presided over federal spending that grew from \$678 billion in 1981 to more than \$1.2 trillion in 1989, thanks to repeated tax increases in support of ambitious new rounds of spending for the Pentagon, intelligence agencies, law enforcement, war on drugs, savings-and-loan bailouts and space program (“Star Wars”). Reagan’s blusterous austerity crusade amounted to little more than an ideological mirage, with the U.S. national debt **quadrupling** from 1980 to 1992, during the Reagan and first Bush presidencies.

George W. Bush? With “free market” Republicans in control of both the White House and Congress from 2001 to 2006, federal outlays actually **rose** more than ten percent. Bush’s military budget for 2009 reached a staggering \$805 billion – up from \$358 billion when “big-spending” Democrats were in power. And this did not include skyrocketing taxpayer largesse for the long wars in Iraq and Afghanistan. The Bush administration elevated the national debt to roughly \$10.7 trillion, nearly double the \$5.7 trillion inherited from Bill Clinton. Tea Party “populists,” nowadays hellbent on reversing Barack Obama’s “state-worshipping” initiatives, conveniently mention little about **these** budgetary sprees. No less than Democrats, the new Republicans are entirely content with an arrangement where corporations and government work profitably (if sometimes fitfully) in tandem – part of the same controlling system of interests and power.

The visionary prophets of small government have proven ready to earmark many trillions of dollars to ensure U.S. global supremacy. Like the vast majority of current Republicans, except for libertarian Ron Paul, Romney intones that the U.S. must have “the strongest military in the world,” the ostensible requisite for a safer, more democratic planet. Few of the austerity vigilantes have come forth with even mild criticism of the most bloated, over-extended war economy and security state in history – with its more than 1,300 governmental entities aligned with the Pentagon, intelligence agencies, homeland security, the war on drugs and military operations in Iraq, Afghanistan, Pakistan and Yemen with an even more daunting (and economically calamitous) war against Iran looming ahead.

One notably extravagant Pentagon scheme, first developed under President George W. Bush and routinely

backed by the government cost-cutters, is the super F-35 Joint Strike Fighter built by Lockheed-Martin. With a price tag (so far) of nearly \$400 billion, the military has ordered 2,500 of an aircraft that figures to be useless for “asymmetric” warfare of the sort faced by the U.S. in the Middle East and beyond. Hobbled by recurrent technical problems, the F-35 has undergone endless rounds of tests since its first takeoff in 2006. The small-government partisans have been embarrassingly silent concerning this boondoggle. In the meantime, with Santorum, Romney and Gingrich competing for the mantle of most bellicose warmonger against Iran, the custodians of Big Government have little to fear.

If the new generation of Republicans is so anxious to “starve the beast,” it is worth asking what any potential success might produce. What might corporate interests, reliant as they are on normalcy and routine, hope to gain in the event massive taxpayer outlays are severely reduced? What if those hundreds of thousands of government contracts, subsidies, bailouts and R&D sources of profits were to vanish? What if the public infrastructure – roads, bridges, water facilities, power system – were to fail to meet its ever-mounting demands or mass consumption boosted by unemployment insurance and kindred social programs were to implode? The unequivocal answer surely is that the system would quickly veer toward material, social and institutional breakdown. Jettison Obamacare? Tens of billions in federal dollars earmarked for insurance companies would suddenly vanish. Reduce Medicare? Big Pharma could anticipate the same outcome. Scuttle environmental protections and junk the EPA, as Republican leaders plaintively urge? An imminent disaster of untold proportions lurks, as the fragile American economy could never survive the resulting ecosystem disintegration. Dependent for every transaction on a healthy and supportive natural environment (the locus of all natural resources), corporate growth and profits would soon turn to dust. Even those hated regulations – for example, curbing reckless Wall Street investments – serve ultimately to protect giant financial institutions from their own worst excesses.

Thanks to federal generosity, the U.S. nuclear-power industry is now poised to launch its long-awaited comeback: in January 2012 a consortium of southern utility companies managed to win Nuclear Regulatory Commission approval for two atomic energy reactors in Georgia, at an estimated cost of \$14 billion. In the face of sobering lessons from the 2011 Japanese nuclear meltdown Westinghouse has begun construction of twin 1,100-megawatt reactors, with at least 20 more reactors on the drawing board in the next few years. Most of the exorbitant costs, as always, will be paid through taxpayer subsidies – a setup endorsed by both parties, though again especially favored by “cost-cutting” Republicans. As stipulated by the decades-old Price-Anderson Act (renewed in 2005), the federal government will be saddled with a \$600 billion insurance fee to cover a potential meltdown and other risks endemic to nuclear power. Ever desperate for government subsidies and other payouts, the nuclear industry faces not more than a nine billion-dollar liability in the event of catastrophe.

The generally-obscure truth is that slash-and-burn Republicans are considerably less serious than their fiery rhetoric suggests – some perhaps conceding (though always in private) that any Tea Party utopia might well come at an untenable price – not least being a severe undermining of the power structure’s capacity to rule, to conduct everyday business with a modicum of routine and order. If the Rand-Norquist-inspired crusaders are indeed willing to carry out their wrecking dreams, they would in their frugal wisdom succeed in destroying not only what remains of the New Deal legacy but the very foundations of a capitalist order in which the corporate interests they embrace already control a vast preponderance of wealth and power. Such anti-government radicals of course prefer a media-enhanced image of hard-nosed, principled accountants just trying to balance the budget and save the country from onerous debt – while simultaneously attacking the horrors of state power and perhaps saving Western Civilization in the process. Ample historical evidence, however, points to something fundamentally different: the new Republicans are waging a holy war not against big government but rather against labor, consumers, the poor and the environment.

