

New economics are simple-minded dogmatism

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If anyone still had any illusions that Ronald Reagan's economic program was well thought out, the president's speech Thursday night should have dispelled them. What the administration has been trying to pass off for months as a new economics, a studiously plotted redirection of the government's priorities, an organized march to a different drummer, has now been reduced to a crude and simple-minded dogmatism.

The president's defense program is shown to be not a thoughtful response to actual military deficiencies, but merely a sacred cow. There is no longer even a pretense that reductions in social programs are being engineered to reduce waste and excesses; the president has proposed simply an across-the-board reduction in everything — regardless of merit, regardless of program design and regardless, indeed, of how much taxpayer money actually will be saved when the states are forced to pick up the tab for former federal services.

What once was presented as a careful attempt to distinguish necessary "safe net" programs from unnecessary "giveaways" has been shown instead to be a cruelly indiscriminate plan to preserve every government benefit that has a noisy political constituency and reduce or eliminate every benefit that does not.

It was a lazy theory all along, this supply-side gimmick that made no distinctions among tax cuts and assumed that one economic device would be effective in all the nation's myriad economic enterprises. Now its faults are to be compounded by a lazy application as well.

The administration, the president has announced, will make no distinctions, no choices, no detailed analyses of programs and priorities. The brightest hope in the president's speech was his insinuation that perhaps Congress would make the fine discriminations for him.

If this is the new economics, it is indistinguishable from the oldest politics: to the victors the spoils. In this case, however, even that principle has been compromised. It wasn't merely a constituency of defense spenders and big businesses that got Reagan elected, but they have been singled out for the rewards.

They walked off early with their budget increases, tax cuts and "regulatory relief," and now — without even helping to figure out how — the president wants the poor and near-poor and the states and local governments to pay for them.

Reagan has often repeated that his is a simple program that will take hard work to implement.