

## *The Economy in Perspective*

*On the road (again)* . . . America, it is said, is a nation that keeps reinventing itself. By committing themselves to respect free speech, private property, and unimpeded commerce, our immigrant founders declared that a democratic process was more important than enshrining privileges for any particular group or region. They established certain protections for the rights of all citizens to minimize the likelihood that minority interest groups would be tyrannized by the majority. And over time, the spirit of that bold experiment led to expanding the voting franchise to groups of people who had once been excluded.

America's history can be told through the experiences of ordinary people who set about to improve their lives. Their journeys have taken this country through several phases of economic development, shifting patterns of population mobility, and changing attitudes about the role of government in society.

These changes have not always been embraced enthusiastically, nor with unanimity. But Americans have always displayed a remarkable willingness to change their jobs, their residences, and even their attitudes about government—as long as they believed that they were building wealth and improving the lot of future generations. We need to recognize, however, that movements from one accepted way of life to another required courage, sacrifice, and the passage of real time to allow for debate and assimilation.

We find ourselves again in the midst of a national soul-searching about the role of government in our society in general, and in our economy in particular (although some would argue that in the United States, the two are virtually synonymous). For the last 50 years, government has been trying to fulfill expectations forged from the trials of the Great Depression and World War II. Interestingly, even the dismal economic performance of the 1970s, characterized by rampant inflation and multiple recessions, did not lead to a fundamental questioning of the government's economic and social policies, although some seeds of doubt were sown.

Voices in the debate have become louder and shriller in recent years because Americans have come to doubt the federal government's ability to do what had been expected of it over more prolonged periods: to provide, at reasonable cost, income security for the aged, medical treat-

ment for the poor, job security for the employable, poverty reductions for the unfortunate, and violent crime reductions for all. Disillusionment with government stems in part from performance expectations that have been raised beyond the capacity of any government to deliver, and in part from the public's unwillingness to foot the bill for what might in fact be feasible.

There was a time in our history, of course, when the federal budget was in balance, federal debt was minimal, and governments were not expected to provide much beyond a legal system and national defense. People dealt with what life dished out by relying on their friends, relatives, and neighbors. Those looking for more than they had did not look to government—they took to the open road. Our country became wealthier through increased domestic and international trade, but this expansion of economic borders brought with it more reliance on a strong federal government. As our nation came of age, its citizens found that "United" began to mean more to them than "States."

Nostalgia for the past appears to be an important element in the current debate on the scale and scope of government. Politicians sense the appeal of imbuing campaigns with the imagery of whistle stops and road trips through the heartland. People understandably want a government that is more intimate, more human, and more responsive to their needs. Surely big government has not been our salvation. But nostalgia alone cannot obliterate the real choices that must be made: How much responsibility should healthy, comfortable Americans bear for ameliorating the misfortunes of others, and through what means should the assistance be provided? What is feasible, and what is reasonable?

From the nature of our recent political discourse, one might imagine that Americans are experiencing a national midlife crisis. Here we are, feeling obligated to shoulder so many responsibilities, when all we really want to do is put down the top of a convertible and chase the sun against the sky; to trade in that station wagon and dump the excess baggage over the side. Which bags to pack, and which to leave behind, are the subject of political debates being held all across America. Pundits say that our nation is at a crossroads. But in truth, we are only preparing to travel down the road not taken when last we passed this way.